

The NATIONAL UNDERWRITER

Life Insurance Edition

TEN YEARS' GROWTH

1936-1946

\$250,000,000.00

Gain in Life Insurance in Force

\$ 28,779,000.00

Gain in Assets

\$ 15,991,424.65

Gain in Total Income

\$ 10,821,653.72

*Gain in Accident & Health
Premium Income*

\$ 67,053,166.70

*Payments to Policyholders and
Beneficiaries During this Period*



PROVIDENT LIFE AND ACCIDENT
INSURANCE COMPANY
CHATTANOOGA

1887 - Our 60th Year - 1947

FRIDAY, MARCH 21, 1947

How to survey your company's future...

If you survey the chart on this page, you'll be able to draw a very profitable conclusion.

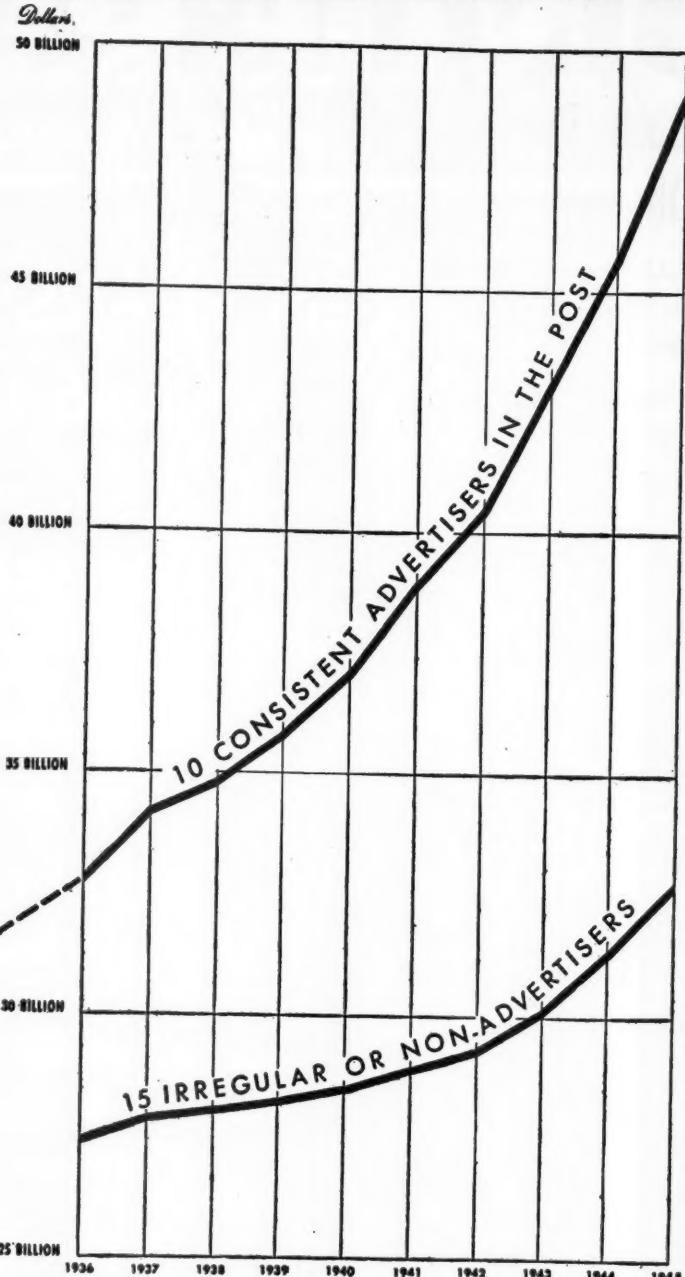
The growth of twenty-five life insurance companies has been charted for the past ten years. And look at what happened to the ten consistent advertisers who used The Saturday Evening Post. They're still climbing fast. Factualevidence that—

- Advertisements in the Post reach the best prospects—the people whose education and income are well above average.
- Advertisements in the Post get attention. People like to read ads in the Post—far more than in any other magazine.



It pays to have the Post pave the way

GRAPH SHOWS THE GROWTH OF ORDINARY LIFE INSURANCE IN FORCE (IN BILLIONS OF DOLLARS) WITH LEADING LIFE INSURANCE COMPANIES DURING 1936 AND THROUGH 1945



For this ten-year period the growth of ordinary life insurance in force among the ten consistent Post insurance advertisers has been more than three times as great as that of the fifteen irregular or non-advertisers.

THE SATURDAY EVENING
POST

MARCH 21, 1947

51st Year. No. 12

50-50 Advocates Lose Battle But Win Objective

N.A.L.U. Council Moves to Get More Agents on Board

By LEVERING CARTWRIGHT

Although the half and half scheme got a sharp rebuff at the N.A.L.U. national council meeting at Milwaukee, the group gave many an earnest that the results desired by the 50-50 advocates will be accomplished without legislation. This was the big issue of the moment and wherever two or more heads were together prior to the actual meeting, this was pretty sure to be the topic.

H. Kennedy Nickell, Connecticut General, Chicago, spearheaded the campaign to get the N.A.L.U. by-laws amended to require that 50% of the trustees shall be, at the time of their election, personal producers as distinguished from agency heads. The question to be voted on was whether to give the green light to the by-laws committee to send out notices 60 days in advance and pave the way for a final vote at the Boston convention in September. The national council vociferously voted "No" after a procession of members, including influential personal producers, had advanced the negative arguments.

Removing the Sting

At the same time the council made abundantly clear that it desires to have greater participation in N.A.L.U. affairs on the part of personal producers or "street agents" as they were usually referred to in the course of the debate. One earnest was the unanimous vote to instruct the by-laws committee to prepare for a decision at Boston an amendment whereunder at least two, and often three of the five members of the nominating committee shall be "street agents".

Also, at Milwaukee, without the requirement of such a by-law, the nominating committee that was elected consists of three personal producers and with an odds on chance that that committee will select as its chairman a "street agent."

Then there was the hearty adoption of a resolution offered by C. Vivian Anderson, Provident Mutual, Cincinnati, former N.A.L.U. president and a personal producer, to the effect that

MINT JULEPS IN '48

The N. A. L. U. trustees at their final Milwaukee session selected Louisville for the 1948 mid-year gathering. Many remember fondly the Louisville mid-year in 1939 with its festival of mint juleps and the Kentuckians promise a repeat.

the association wants more individual agents on the board and will undertake in every way possible to bring to the front qualified leaders from that area.

Then, too, Judd C. Benson, Union Central, Cincinnati, took the microphone to say that the Chicago association has rendered an important service in calling attention forcefully to the fact that there should be more personal producers on the board and he ex-

Feb. Sales Are Up 13%

February life insurance production was \$1,718,329,000, an increase of 13% over February, 1946, and double that of February, 1941.

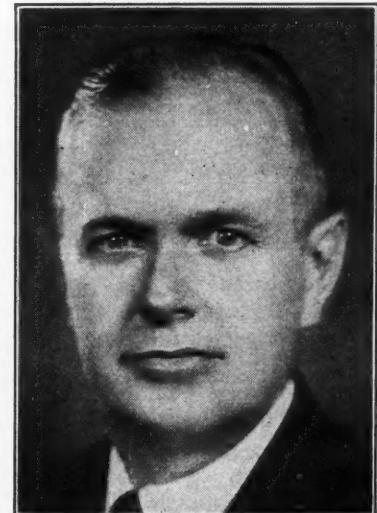
All lines showed an increase: Ordinary, \$1,186,746,000, up 6%; group, \$181,554,000, up 105%; industrial, \$350,029,000, up 14%.

For the first two months the total production was \$3,459,968,000, up 21%; Ordinary was \$2,415,772,000, up 13%; group was \$365,649,000, up 165%; industrial was \$678,547,000, up 16%.

pressed the belief that the results they hope for will be achieved without the necessity for a by-law.

Also Osborne Bethea, Penn Mutual, New York, went to the front to assure the group that the general agents and managers section has no intention of taking any step that will impair the solidity or influence of N.A.L.U. In connection with the forthcoming meeting of agency heads at Chicago in May, it had been suggested that the general agents were tending to remove themselves from the N.A.L.U. sphere, but Mr. Bethea emphasized that the general agents "will do nothing that won't strengthen N.A.L.U."

Another step, primarily intended to encourage personal producers to go out



H. KENNEDY NICKELL

for trustee, was finally rejected by the trustees by vote of 11 to 5 on the ground that it might lead to treasury raids in other directions. This was the proposal for the association to pay traveling expenses and a per diem for trustees at the mid-year meeting, and a per diem only on the days that the trustees meet prior to and following the annual meeting.

Carlton W. Cox, Metropolitan Life, Paterson, N. J., reporting on this decision of the trustees to the national council said the majority of the trustees felt that this would create a bad precedent and might open up the question of paying committee chairmen and convention speakers. The majority also felt it would not serve the main purpose of getting more agent participation on the board, because the main thing that causes the agent to shrink from such work is the sacrifice of time rather than the expense in money, which Mr. Cox said amounts to about \$250 a head.

President Philip B. Hobbs, Equitable Society, Chicago, plunged the council into consideration of the major question

(CONTINUED ON PAGE 22)

NALU Chooses Nominateors

The nominating committee of N. A. L. U. as elected at Milwaukee:

Edwin T. Golden, New York Life, San Francisco.

Fred H. White, Connecticut Mutual, Buffalo.

Abner Heald, John Hancock Mutual, Milwaukee.

Morgan O. Woodward, Prudential, Louisville.

William B. Hardy, New England Mutual, Cincinnati.

The group was unable to get together for an organization meeting at Milwaukee, so the chairman will be selected by correspondence.

Under the by-law amendment to be voted on at Boston, Mr. Hardy would automatically be the chairman. That amendment specifies that two nominators shall be elected from a list of five personal producers, two shall be elected from a list of five agency heads and one shall be elected from a list of five former members of the nominating committee, the latter to be chairman.

At Milwaukee, the list of candidates for the nominating committee was divided into those brackets, with instructions that the members of the council could vote as if the by-laws were in effect if they chose to do so, and that is the way it turned out. Mr. Hardy was the selection from the list of former nominating committee members.

In the balloting Mr. Woodward was tied with H. Cochran Fisher, Aetna Life, Washington, but since Mr. Golden and Mr. White had been elected from the personal producer list, Mr. Fisher graciously withdrew, so that there would be two agency heads on the committee—Mr. Heald and Mr. Woodward.

\$5,000 Bank Cover Bill Loses Out

The bill to increase the maximum amount of life insurance that the New York savings banks may write from \$3,000 to \$5,000 per life lost out in the assembly in the closing session of the legislature after having passed the senate by a narrow margin. It was an extremely controversial measure. Companies and agents were lined up against it, while Superintendent Dineen and banking Superintendent Bell came out in favor of it, as did the savings banks in the plan. Most of the newspapers in New York City favored it.

The legislature passed the supplementary budget bill, which contains an increase in salary for the superintendent from \$12,000 to \$16,500.

Finlayson Reports Records Broken in Canada

Sale of new life insurance in Canada in 1946 set new records, Superintendent G. D. Finlayson reported. Net amount of new life insurance effected was \$1,393,522,667, increase 39% over 1945. Of the total, ordinary amounted to \$1,167,517,862, industrial \$143,868,266, group \$82,136,539.

Net business in force was \$10,812,294,224, increase 10.9% over 1945, of which ordinary was \$8,215,044,358, industrial \$1,362,447,955, group \$1,234,801,911. Canadian companies carried \$7,201,285,815 and British and United States companies \$3,611,008,409.

Insurance premiums received in 1945 amounted to \$261,176,100 and annuity consideration, \$27,904,350, while in 1946 these receipts were \$283,930,461 and \$39,010,497.

Prudential to Have Western Headquarters Unit

To Erect Building at Los Angeles— Volk to Be in Charge

NEW YORK—Prudential has completed plans for the erection of a western headquarters at Los Angeles to handle all its activities in the 11 far western states, President C. M. Shanks announced at the banquet here which climaxed the three-day managerial conference and was attended by 1,100 field and home office executives. The principal address was given by Aubrey H. Elder, one of Canada's most distinguished barristers and a Prudential director.

The new office building will be on a 10-acre site on Wilshire boulevard which has been acquired from University of Southern California. It will adjoin La Brea Park. In conformity with zoning restrictions it will be of only medium height but will have 400,000 square feet of floor space.

Contracts to Be Let Soon

The architectural firm of Walter Wurteman and Welton Becket has been awarded the contract for design and it is expected that construction contracts will be let within a matter of days. Mr. Shanks said the decision to open a west coast head office was made after a study of the growth of population of the Pacific area and of the factors of public and policyholder service to this important region.

States to be included in the office's jurisdiction are California, Oregon, Washington, Colorado, Montana, Nevada, New Mexico, Arizona, Wyoming, Utah, and Idaho. The office will handle all phases of Prudential business. Receipts from this area are in the neighborhood of \$100 million a year and a large part of this sum will be available for investment by the new office.

Harry J. Volk to Be in Charge

Harry J. Volk, who was elected a vice-president March 11, will be in charge of the new office. A graduate of Rutgers University, class of 1927, Mr. Volk has been active in general office management work. During the war he worked with the War department in streamlining induction procedures and also spent three months in Europe with the U. S. strategic bombing survey. He is a Rutgers trustee and a former president of its alumni association.

Mr. Shanks pointed out that opening of the west coast office, which is expected to be in June, 1948, will have little effect on home office operations in Newark. No large transfer of personnel is anticipated. Of the employees who will staff the new office only key men will be from Newark, the large portion of the clerical personnel being recruited locally. No reduction in the office staff at Newark is contemplated.

Stresses Individualism

In his talk Mr. Elder, who is a K.C., stressed individualism as the keystone of success. Under war's demands individuals had to live blueprint lives and the danger today lies in the possibility that many may adopt a philosophy of meticulous compliance as the means of attaining perfection.

C. O. Fischer Sees Bright Future

Years of Accelerated Business Ahead, He Tells Brooklyn Managers

BROOKLYN—There will be a continuing good market for life insurance, Chester O. Fisher, vice-president of Massachusetts Mutual Life, said in addressing the Brooklyn Life Managers Assn. Wednesday.

Despite the big job that has been done in the past years, "we continue to be woefully underinsured as a nation when we consider that all of the life insurance in force in the country, in private companies as well as through social security and national service life insurance, amounts to less than twice the national income for one year."

Agents Have Responsibility

This opportunity for continuing large sales imposes upon life agents of the country a serious responsibility, he said. It is up to them to share with all of the sales forces of all businesses and services in the nation the obligation to do their full part in sustaining a sound and active national economy.

If the country is to meet its national budget requirements, it must continue to have a national income of \$150 billion and upward. That means full employment, full production, and a national consumption that will support a generous economy. This comes back to a strong, active sales program in all lines.

Life insurance is a vital factor because through the protection and security it offers men are made free to exercise initiative and engage in programs of business activity which otherwise they could not do, he said.

There have been comments about a recession this year. At the moment life sales have slowed up slightly. There may be a minor recession, he said. However, unless unfavorable international developments occur, there is every reason to expect many years of great business activity.

The thoughtful and far-seeing life insurance manager and agent can do no better than to keep on doing a real job. The men in the business who operate on that basis do very well through periods of both prosperity and depression. The fundamentals of success in life insurance are changeless in a constantly changing world, he declared. The manager who continues to bring into his agency organization strong, capable men, and who then trains and supervises them so that they succeed and make money, is doing a good job for himself and his company, and is performing his full share of the mission which is the responsibility of all business men.

Pratt to Assist Greene

R. Barry Greene, Newark manager of Connecticut General Life, has appointed Richard F. Pratt assistant manager. He has been with the agency two years and has won high company honors.

SALIENT FEATURES OF 1946 ANNUAL STATEMENTS

	Total Assets	Increase in Assets	Surplus to Policy-holders	New Bus. 1946	Incs. in Force Dec. 31, 1946	Increase in Ins. in Force	Premis. Income 1946	Total Income 1946	Benefits Paid 1946	Total Disburs. 1946
Amer. Standard...	4,142,654	141,906	2,437,708	13,004,250	45,776,163	8,993,955	788,772	974,822	539,942	754,877
Canada Life Assu...	319,748,578	15,239,783	17,582,006	104,799,772	1,002,130,754	81,657,555	32,593,477	55,291,791	24,868,819	40,116,275
Country Life ...	34,649,049	4,835,277	3,857,564	43,499,746	286,277,200	35,637,850	5,881,100	7,774,479	1,287,354	3,047,575
Home Security ...	10,397,717	1,947,150	1,452,627	30,013,855	96,580,176	13,776,429	3,435,242	4,049,400	479,790	2,107,908
Independent Life...	1,886,425	210,960	490,555	2,671,257	11,992,757	742,455	456,058	520,888	100,396	336,661
Legal Standard ..	435,230	78,676	163,753	3,306,650	3,725,400	2,279,200	104,018	158,254	4,410	76,509
National Home ..	295,313	31,317	121,433	1,670,400	3,905,038	1,280,188	90,970	101,634	12,745	73,278
Old American ...	1,056,882	294,122	252,954	154,500	529,002	154,500	113,715	147,521	24,072
Rushmore Mutual...	642,546	301,710	155,875	5,667,261	5,017,199	2,906,685	189,661	595,507	80,862	291,807
St. Louis Mutual...	3,485,316	398,212	219,881	2,221,323	13,942,323	801,087	342,106	743,929	176,374	448,044
Texas Prudential...	11,245,061	1,692,106	1,463,933	38,426,637	119,757,184	13,758,489	3,222,320	3,821,707	559,666	2,188,742
Western & South...	331,518,367	42,370,884	52,462,884	278,322,090	1,707,782,077	189,274,395	51,727,733	74,604,321	17,495,667	43,800,292
South Coast	637,624	133,765	146,082	2,733,341	7,023,892	1,983,238	187,407	226,966	10,460	108,715
Southern Dixie...	3,568,717	850,079	1,038,512	28,616,709	53,151,042	8,711,581	2,350,203	2,464,746	409,134	1,618,512
Southwestern Life...	141,585,375	15,326,140	10,100,000	109,390,037	580,047,004	67,345,654	20,677,370	28,136,546	6,272,654	12,479,849
State National ...	505,876	68,439	156,526	3,095,726	5,601,926	2,656,735	159,317	176,768	10,905	109,743
FRATERNALS										
Knights of Colum...	64,999,215	3,194,748	6,112,136	40,190,650	294,673,237	27,933,676	5,800,972	9,960,885	3,511,520	7,566,434

*Excludes revivals and increases and paid-up additions.

Occidental Seeks New Home Office

A proposal for purchase of the Los Angeles Chamber of Commerce building by Occidental Life as its new home office has been submitted to the stockholders of the building corporation. Occidental offered \$2,100,000 for the 8-story structure, which was completed in 1925 with gross area of more than 413,000 square feet. Completion of the transaction depends on stockholder approval. Occupying the full ground space between Broadway and Hill on 12th street, it is the second largest office structure in downtown Los Angeles.

Ownership of the building will answer Occidental's need for increased space caused by its rapid growth of the past 15 years, and at the same time provide ample space for future expansion, President Dwight L. Clarke said.

Plans to erect a new Occidental Life home office building on Wilshire boulevard, adequate for present and future needs, will be abandoned if Chamber of Commerce building stockholders approve the sale. Occidental acquired the block between Mansfield and Citrus on Wilshire several years ago.

Occidental's proposed move to the Chamber of Commerce building would be a gradual one, extending for several months, if the sale is completed. The Los Angeles Chamber, as well as many other present occupants, will not be disturbed by change of ownership.

C. F. Young Heads Central Life of Kansas

Dr. C. F. Young has been elected president of Central Life of Kansas to succeed the late Frank E. Milligan. Dr. Young has been medical director since 1933. In 1927 he was elected to the board of directors and in 1941 was elected vice president and medical director. He will continue to be medical director.

Dr. Young is a native of Texas and a graduate of the University of Texas school of medicine in 1912.

U. S. Executives to Address Canadian Life Officers Assn.

Paul F. Clark, president of the John Hancock Mutual Life; James Muir, general manager of the Royal Bank of Canada, and D. C. Abbott, Canadian minister of finance, will address the annual meeting of the Canadian Life Insurance Officers Assn. at Montebello, Que., May 13-15.

A. E. Patterson, president of Mutual Life; Marshall Holcombe, Jr., and Charles J. Zimmerman of L.I.A.M.A. will address the life agency officers section.

Franklin Enters Utah: Bentley General Agent

Franklin Life has been licensed in Utah. Vivian W. Bentley, formerly with American National, has been appointed general agent at Salt Lake City.

13 Prudential Executives Win Superior Posts

Robert H. Bradley, an executive of Prudential since 1918, and vice-president in charge of fiscal operations for the last 17 years, will retire June 1.

Pearce Shepherd has been promoted from 2nd vice-president and associate actuary to vice-president and associate actuary; Louis R. Menagh, Jr., formerly comptroller, becomes vice-president and comptroller; Frederick H. Groel, who has been secretary, is now vice-president



F. Bruce Gerhard



Pearce Shepherd

dent and secretary, and Harry J. Volk advances from 2d vice-president to vice-president.

Charles B. Laing has been promoted from director of organization and methods to 2d vice-president, and Edward M. Nepmann from associate actuary to 2d vice-president and associate actuary.

H. Woodruff Tatlock, who has been treasurer, has been elected 2d vice-president.

Supervision over the treasurer's department will be assumed by Robert M.



H. J. Volk



Robert M. Green

Green, vice-president and he becomes vice-president and treasurer. Also, he will aid in the development of new investment contacts in collaboration with the bond and the mortgage loan and real estate investment departments.

William Mitscher, Jr., general manager of the ordinary policy department, is transferred to the treasurer's department, and elected associate treasurer.

Supervision of the industrial policy department and the general office administration department are to be taken over

Annuitant at 102 Gives Testimonial

Penn Mutual, which is celebrating its centennial this year, has one policyowner who is older than the company. He is Theodore Parker Adams of Plymouth, Mass., who will be 102 on July 24. When Penn Mutual began business, Mr. Adams was almost two years old.

When active, he was a master of Cambridge Latin School. Invited to attend a showing of the company's centennial movie, he wrote Henry M. Fraser, Jr., general agent at Boston, that the infirmities of age prevented him from attending.

Recommends Annuities

"In my long life I have acquired no distinction except that of longevity," he wrote. "It is a lonely distinction to be the oldest member of one organization and the last survivor of another, but I can recommend annuities as a source of peace and comfort to the holder although not always profitable to the company, as is my case. I thank the Penn Mutual for the prompt payment of its annuities, and hope that it may have another century yet more prosperous than the last."

Announce Chicago Congress Program

Complete program for the annual sales congress of the Chicago Assn. of Life Underwriters to be held in the casino of the Congress hotel all day April 26, is announced. Clarence E. Smith, Northwestern Mutual, is general chairman and will preside with Paul W. Cook, Mutual Benefit, association president. The program is:

Philip B. Hobbs, agency manager Equitable Society, Chicago, president N.A.L.U., "1947—A Good Year"; William B. Minehan, executive assistant Northwestern Mutual, Milwaukee, "Life Insurance—All Things to All Men"; H. Peter Trosper, agent New York Life, Detroit, "The Fifth Dimension in Selling."

Bert A. Hedges, manager Business Men's Assurance, Wichita, "Locating the Current Market"; Lillian L. Joseph, agent Home Life of New York, N. Y. C., "Sales Ideas and Prospecting"; Wilbur W. Hartshorn, superintendent of agencies, Metropolitan Life, New York, "The Philosophy Behind the Sales Interview."

The morning session will start at 9 a. m. and the afternoon session at 1:15 p. m. George Holman will be song leader. Registration fee for members is \$1.50, for non-members, \$3.

by F. Bruce Gerhard, vice-president. The activities formerly supervised by Mr. Gerhard now become the responsibilities of Mr. Shepherd.

Mr. Menagh will direct all accounting and auditing operations and the debit accounting offices throughout the country.

Mr. Volk's former duties as operating head of the general office administration department will be assumed by Mr. Laing. The latter will also supervise the ordinary and industrial policy departments.

Distribution of Duties

Mr. Tatlock will look after the industrial agencies field service department.

Mr. Neumann will have wide executive responsibilities in the group department.

Mr. Bradley became assistant manager of the bond department in 1918, after 13 years of Wall Street experience. He was advanced to manager of that department and then to the position of treasurer. In 1929 he was elected vice-president.

Raymond W. Cobb has been named director of organization and methods; Thomas Allsop, II becomes assistant director organization and staffing, and Floyd H. Bragg is named senior methods analyst.

N.A.L.U SALES CONGRESS**All-Stars Inject Sales Vitamins into GI Crowd**

By RICHARD J. THAIN

The large and eager audience at the sales congress which closed the N.A.L.U. mid-year meeting received powerful injections of sales vitamins from enthusiastic speakers who lived up to their billing as "all stars". A large number of producers from Wisconsin and other mid-western states were present, many of them

young war veterans new to the business. The speeches had wisely been directed to these new men. J. F. Hinkes, sales congress chairman, who opened the session, had arranged a program of wide informative variety.

Welcome on behalf of the Wisconsin companies was delivered by Warren J. Moore, secretary of Old Line Life, who



G. D. Adams



G. J. Currie



G. L. Hill

reached the point in the interview where he has to ask the husband how much insurance he is carrying. The chances are there isn't much, but even if there is, the agent sets down the expenses which the wife will have to face upon her husband's death, including present expenses, clean-up, mortgage and emergency. Using present insurance and other income to fill out these various categories, the agent can generally show that the present insurance will allow the wife little income and must be assigned to one of the other categories. The emergency fund can be stretched conveniently to take care of existing insurance and show that it will not provide income.

The Bankers Life of Iowa team of T. H. Tomlinson, manager of sales promotion, and Roy Frowick, educational supervisor, launched a succinct sales presentation based on diminishing responsibilities. The demonstration was preceded by Mr. Tomlinson's discussion of the sales process. He said that money and self respect are the two things most important to a man in his old age. Without money from life insurance, the average oldster cannot maintain himself or his self respect. He said that each agent must measure for his prospect the size of the hole left by his earning ability upon his death and see that insurance is adequate to plug this hole.

Mr. Frowick proceeded to play the part of agent and Mr. Tomlinson the prospect to demonstrate a largely visual system of graphing the responsibilities of the breadwinner and his wife. The responsibilities lines of both husband and wife decline out to the end of the life line. Superimposed upon this diagram were lines denoting parental responsibility for children which cut down and goes off the books at about 20. Another line showed the responsibility of the average man to himself in old age to complete the picture.

Mr. Frowick then presented a plan to bridge the gap between the two hills of responsibility, those in the early years for the children and those in the sunset years for retirement. He pointed out that by tying these two eras of responsibility into one and through insurance the prospect can do both jobs for 30 cents on the dollar it takes to do the saving job alone.

IMIG ON APPRAISAL

Richard E. Imig, New York Life, Sheboygan, president of the Wisconsin association, declared that a knowledge of risk appraisal is a necessity for the career agent and that it is important

(CONTINUED ON PAGE 21)

eloquently expressed the honor which the Wisconsin companies felt to have such a meeting in their state. Chairman of the morning session was Albert G. Schmedeman, Jr., director of agencies National Guardian Life, who skillfully held the speakers on schedule, no easy task because of the enthusiasm of the speakers and their audience.

Lead-off speaker was Herbert R. Hill, district manager Life of Virginia at Richmond, whose wit, powerful voice and drawl embellished an exposition of package selling based on the social security appeal. Mr. Hill said that for the average agent, ordinary or industrial, the best bet is to employ package selling to make a quick, one shot job of covering a wide number of prospects. The average prospect is not a man of enough means to warrant extensive programming or estate analysis and his insurance problems can be met in one interview, Mr. Hill said. Package selling gives the average agent a positive mental attitude in that he knows where he is going, why he is going there, and what he is going to say.

Salesman is Like Actor

He said that a memorized sales talk gives the average agent the right ideas in the right sequence. Because it has been prepared in advance by experts, the prepared talk is analogous to advertising campaigns which are designed scientifically to create desire and get action. Mr. Hill pointed out that actors on the screen or stage have memorized their parts, and good actors are convincing. He said the social security appeal is well adapted to package selling.

Mr. Hill then made use of a series of charts which showed the type of diagrams with which he has armed his agents. These charts illustrate for the prospect and his wife how inadequate the bare social security benefits are and that the wife would have to go to work upon the death of her husband, because she could not get by with the

Advertisers Prepare for Possible Rainy Day Ahead

More Than 100 at Eastern Round Table Session Look to Future

By KENNETH FORCE

NEW YORK—Many life advertising men are engrossed in reappraising their companies' sales promotion material, the editorial policies of company magazines, and the effectiveness of their direct mail efforts; or they are devising new material or means to do a post-war job.

More than 100 members of the Life Advertisers Assn. attended the Eastern Round Table of the group here two days this week to discuss these and other subjects, including merchandising the advertising man's work, national advertising and policyholder relations.

There was an atmosphere of satisfaction that can be considered natural following the best year ever in life insurance production, but at the same time an insistence on analyzing all of the processes to avoid overlooking weaknesses that may exist. The advertising men know that the lush days cannot last forever, and that they must contribute their share to a good job of merchandising.

Richard Rhodebeck, United States Life, proved a vigorous and capable chairman of the round table. Those in charge had arranged the discussions so that everyone was able to sit in on a treatment of every subject. The cocktail party Monday evening, and the luncheons Monday and Tuesday were highly successful social affairs.

Powell Stamper, National Life & Accident, president of L.A.A., made the talk at the Monday luncheon, a spot originally slated for Alexander Patterson, president of Mutual Life, who was unable to attend.

While 1946 was a field day for life insurance production, the business must continue to deserve this evidence of confidence, and the life advertisers must keep the story told, Mr. Stamper declared. Many believe in 1947, the business will have to get back to selling. Advertising men can help by spotting trends and then doing something about their analysis, he said.

The leaders and co-leaders did a good job at the discussion sessions. The round tables stuck to their subjects, but covered them thoroughly and expeditiously. The leaders and co-leaders were: Direct mail, William C. Gentry, New England Mutual, and George H. Kelley, New York Life; company magazines, Robert J. Walker, Mutual Benefit, and Paul Troth, Home Life; sales promotion, Earl R. Trangmar, Metropolitan, and Robert S. Kohn, Security Mutual; merchandising your work, Harvey Kesmodel, Sun Life of Baltimore, and L. Russell Blanchard, Union Mutual; national advertising, Margaret Divver, John Hancock, and Charles E. Crane, National Life; and policyholder relations, Clifford B. Reeves, Mutual Life, and Evelyn Shuler, Penn Mutual.

Bait letters are the most popular direct mail advertising now being done, Mr. Gentry said at his meeting. This is a letter offering a premium in order to get a reply. They are being pushed, and results reported by several of the companies represented at the round table are excellent.

New England Mutual has a booklet (CONTINUED FROM PAGE 24)

Penn Mutual Centennial Movie

The Penn Mutual Centennial animated motion picture, "100 Years of Security," a combination history of the Company and annual statement—is booked for showings in the following cities this week:

- March 21, at Lima and Oakland.
- March 24, at Albany, Chicago, Providence, St. Louis.
- March 25, Bridgeport, Louisville, Tulsa, Macon.
- March 26, Rochester, New Haven, Oklahoma City, Montgomery.
- March 27, Dayton.
- March 28, Cincinnati, Shreveport.

Advertisements in local newspapers announce the place and hour of the showing, and cards of admission for policyholders and friends may be secured by telephoning or writing the Penn Mutual General Agent in that city.

1847 — Penn Mutual Centennial — 1947

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Huebner to Speak at Baltimore C.L.U. Anniversary Fete

Dr. S. S. Huebner, president American College, will speak at the Baltimore C.L.U. meeting this week, honoring the 20th anniversary of the college. Members of the Baltimore Assn. of Life Underwriters have been invited to the meeting.

Dr. David McCahan, dean of the American College, and E. J. Clark, state agent emeritus John Hancock Mutual, who is a life trustee of the college, will also be honored at the meeting. These two men and Dr. Huebner are the authors of "The History of C.L.U." which is now being published.

H. L. L. Hurrelbrinck, Jr., is president of the Baltimore C.L.U. chapter, and H. E. Turner is chairman of the 20th anniversary committee.

Dr. H. K. Crutcher Named

Dr. Howard K. Crutcher has been appointed medical director of United Fidelity Life. He will continue his private practice at Dallas.



WHEN BENEATH THE OFTEN DULL AND TEDIOUS PROCEDURES OF A STUDY OF TAX AND BUSINESS INSURANCE TECHNICALITIES, YOU CAN PROJECT AND MAKE EVIDENT A WARM AND FRIENDLY PERSONALITY, THAT IS SOMETHING.

AND THAT IS EXACTLY WHAT ED STEPP DOES WITH HIS "BOYS" IN SUPERVISED TAX AND BUSINESS INSURANCE. Here is no routine handling of questionnaires, but instead a lively interest that evokes comment as the following from O. B. CAPPS, FIDELITY MUTUAL, NYC.

"IT IS WITH DEEP REGRET that the last of the work is completed. Though the program cost much time and effort, the value I have gained was much greater than the investment I made. Like all good things, it had to come to an end, but frankly to me, it is just the beginning.

"I CANNOT TELL YOU HOW DEEPLY I AM INDEBTED TO YOU PERSONALLY FOR THE HELP YOU HAVE GIVEN ME."

AND I AM GLAD TO ADD THAT THIS IS THE WAY ALMOST ALL OF ED STEPP'S "BOYS" FEEL TOWARD HIM AND TOWARD HIS WORK WITH THEM.

PAUL SPEICHER
Managing Editor
THE INSURANCE RESEARCH & REVIEW SERVICE
INDIANAPOLIS

Occidental Makes Several Changes

Occidental Life has announced a number of field appointments. It is resuming operations in Hong Kong April 1, and has appointed Tsufa F. Lee, former partner of P. M. Anderson, now an assistant vice-president, general agent there. He is enroute to set up an office in Hong Kong. He entered life insurance in 1930 as supervisor for Crown Life of Toronto in Shanghai; in 1933, became a partner in P. M. Anderson & Co. when Occidental began its operations in China.

A new agency office has been opened in Norfolk, Va., with Bernard B. Joynier, Jr., appointed general agent. In 1942 he entered life insurance as agent with Union Life at Norfolk.

Neb., W. Va. Appointments

Mortiz Aabel, former general agent for Ohio National Life, has been appointed general agent by Occidental Life in Hastings, Neb. He fills a vacancy created by death of General Agent H. O. Johnson. Mr. Aabel is a native of Minden, Neb., who spent 15 years in the lumber and banking business before joining Bankers Life as agent. He later was district manager for Mutual Life at Hastings for five years and then went with Ohio National. He is past-president Hastings Life Underwriters Assn. and past-secretary Nebraska association.

Occidental also has opened a new general agency in Huntington, W. Va., with John S. Hermansworfer in charge. He was district agent for Lincoln National in Huntington prior to joining Occidental and entered life insurance work in 1925 as an agent for Southern Life in Charleston. He soon was promoted to associate manager and in 1930 became manager of the Ashland, Ky., district, and later manager of the Erie, Pa., area. From 1934 until 1945 he was manager for the company's Huntington territory and two years ago became special home office representative in field demonstration of ordinary production.

Roberts Gets Citation for Chest Leadership

E. A. Roberts, president of Fidelity Mutual Life, is here receiving a citation at St. Louis for his work as president of Community Chests & Councils during the years 1943-1947. The presentation is being made by Philip M. Morgan of Worcester, Mass., vice-president of Community Chests & Councils.

Mr. Roberts has now been succeeded as president by Edward L. Ryerson, chairman of Inland Steel Co. Mr. Rob-



erts has been named the chairman of the 1948 campaign of Philadelphia community chest.

Community Chests & Councils is the central agency through which the pooled experience of 878 community chests is studied for the most effective methods of organization and technique. During Mr. Roberts' administration the number of chests increased more than 200 and a great record was made in raising funds.

Pan-American Wins Reversal on Group Premium Refund

Pan-American Life won a reversal of a Texas lower court decision, holding it liable for return of premiums paid by employees under a group policy for the past 20 years, but the Texas court of civil appeals, at the same time, directed that Pan-American shall refund premiums paid for six months during 1944 while a new contract was being negotiated for but was eventually turned down by the insurer. The case was Pan-American vs. Garrett, et al.

In 1925 Pan-American insured employees of El Paso Electric Co., Rio Grande Valley Traction Co. or El Paso & Juarez Traction Co. that were members of El Paso Electric Co. Employees Assn.

There was a provision for termination of the contract upon termination of employment "with the said employers or the termination of membership with the said assured."

Sells Transportation System

Pursuant to an SEC directive, the electric company Dec. 31, 1943 sold its entire transportation system to El Paso City Lines, Inc. and the electric company's employees became employees of the City Lines.

L. A. Goodman, Pan-American's general agent at El Paso, according to the court, had knowledge of the sale prior to his receipt of the January, 1944, premium. He collected the monthly premiums through March 9 and on March 13 notified Pan-American of the sale. He reported that the employees association had amended its constitution and by-laws so as to include employees of El Paso City Lines, Inc. Mr. Goodman said he had been negotiating with the employees association for a new contract that would include the employees of El Paso City Lines.

Pan-American replied that it would not be willing to amend the contract and stated that since premiums had been paid to March 5, any whose employment had terminated prior to that date would have 31 days to convert their certificates to permanent insurance.

Notification by Goodman

There was much ensuing correspondence between Mr. Goodman and Pan-American, and on April 3 Mr. Goodman wrote to the chairman of the employees association stating that the monthly premiums effective April 5 carried the insurance to May 5 and that Pan-American "must adhere to the conversion provision."

On Aug. 1 Mr. Goodman notified the secretary of the employees association that the certificates would be canceled as of Aug. 5.

The court observed that the insurance covered the employees of the named employers only, and under the provision of the certificates this coverage terminated when that employment terminated. Hence there can be no recovery of premiums paid under that contract.

Due to the events that took place during 1944, the court stated that a new contract with the employees association and with former employees of the electric company who were employees of El Paso City Lines must be implied, and Pan-American's attempted cancellation of such contract was wrongful, the court decided.

Hypothetical Question

The court said it need not concern itself with the question of what would have been the correct measure of damages had all of the employees sought to recover for breach of their contract. All except two of the employees elected to rescind their contracts because of Pan-American's repudiation and to recover the premiums paid.

The contracts which Pan-American repudiated and attempted to cancel were

French Bankers Mutual Head

G. C. French has been elected president of Bankers Mutual Life of Freeport, Ill., succeeding Leonard H. Engstrom, who has resigned.

Mr. French joined Bankers Mutual in 1937 as actuary, previously having served in a consulting capacity. He subsequently became secretary and executive vice-president and actuary. He will continue to serve as actuary.

Russell S. Haight, agency director, becomes executive vice-president, but will continue to be the chief agency officer.

Glenn K. Hammel was elected vice-president in charge of agency field activities and was also elected as a director.

Marvin F. Burt, formerly secretary, becomes secretary-treasurer, Dr. J. M. Linden continues as medical director.

Mr. Engstrom became president in 1943 upon the death of J. C. Peasley. He had been vice-president the previous year. Prior to that he was Michigan manager located at Detroit from 1936. He was supervisor of agents at Chicago from 1929 until going to Detroit.

Prior to becoming associated with Bankers Mutual he had been superintendent of agencies for the old Security Life of Virginia and superintendent of agencies for the old Continental Life of St. Louis. Since 1922 he also held positions with Aetna Life as field man in Iowa and associate general agent at Lincoln, Neb., and with Travelers as group supervisor in Iowa.

Reserve Loan Managers Convene at Home Office

Representatives from nine states, Hawaii and Cuba attended the general agents and managers' meeting at the home office of Reserve Loan Life.

General theme was better service for the public through closer cooperation between the field and home office. B. Hick Majors, president, was host at a welcome breakfast. A stag party was held at the home of Clint W. Murchison, board chairman. Robert Schulman, vice-president and director of agencies, handled arrangements.

A. R. Jaqua, director of the Southern Methodist course and Alden C. Palmer, R. & R. Service, spoke as did W. R. Baker of the Dallas office.

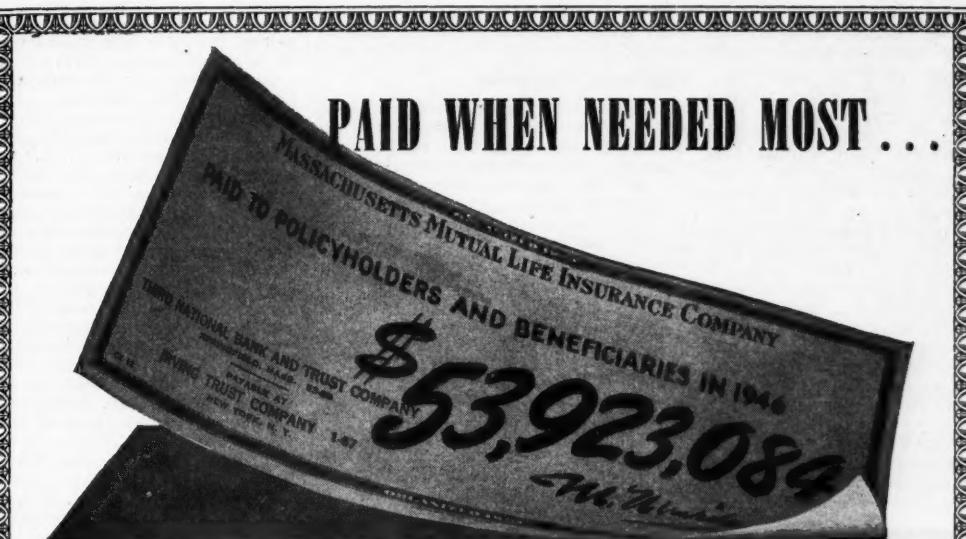
Mr. Schulman, Selby Rawlings, director of training, and James H. Stevens, agency assistant, presided at the business sessions. The meeting was concluded with a stag benefit at which Paul D. Lindsey, executive vice-president, was master of ceremonies.

New Mutual Life Aids

New assistant managers appointed by Mutual Life are H. M. Bentley of the Providence agency, who will be located at Cranston, R. I.; W. A. Helms of the Indianapolis agency, who will be at Anderson; G. R. McBride of the Oakland agency, who will be at Stockton; K. S. Nelson of the Fargo agency, who will be at Fosston, Minn.; and S. C. Tracy of the San Jose agency who will be at San Jose.

the implied contracts that arose subsequent to Jan. 1, 1944. These were the only contracts which employees could elect to rescind, and the only premiums paid under such contracts were those paid subsequent to Jan. 1, 1944. All liability under the original contracts expired by their own terms when the employees ceased to be employees of the employers named in the contract.

Two of the employees sought to recover disability benefits. The disability date for one of the employees was found to be Oct. 5, 1944, and the other July 30, 1945. They based their claim on Pan-American's repudiation of their contracts and the breach thereof both present and anticipatory. The higher court affirmed the judgment in their behalf.



as shown by our 95th Annual Report

Every one of the more than fifty-three million dollars that policyholders and beneficiaries received from the Massachusetts Mutual in 1946 represented the results of wise financial planning *in time*. It is this kind of planning that provides money when needed most.

Life insurance serves many purposes. The one of greatest importance to the home is that of enabling men and women to guarantee financial provision for themselves and their families beyond the time when earned income will be reduced by old age, or destroyed by death.

But, whether your problem is that of making the future financially secure for yourself in old age, or for your family in your permanent absence . . . or protecting your business against the loss that would follow the death of its key men . . . or providing life insurance or retirement income for employees . . . you are invited to discuss it with a trained and experienced Massachusetts Mutual representative.

Summary of Annual Statement as at December 31, 1946

Assets	
Bonds, Mortgages and Other Assets	\$1,063,138,948
Interest, due and accrued	7,759,864
Premiums, due and accrued	13,544,655
Total Admitted Assets*	<u>\$1,084,443,467</u>
Liabilities	
Policyholders' Reserve	\$ 781,035,184
Policyholders' Funds	219,137,176
Policy Claims in process of settlement	3,752,406
Dividends to Policyholders	12,723,528
Taxes	2,185,341
Miscellaneous Liabilities	1,135,224
Special Reserves	10,004,365
Surplus to Policyholders	54,470,243
Total Liabilities and Contingency Funds	<u>\$1,084,443,467</u>

United States Registered Bonds included in the above statement are deposited as required by law; State of Massachusetts \$300,000; State of Georgia \$10,000.

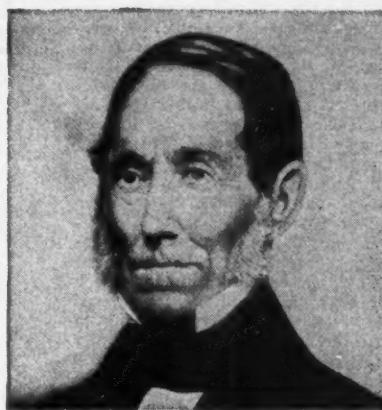
*"Admitted Assets" are assets determined in accordance with rules established by the National Association of Insurance Commissioners.

A complete Annual Report will be sent on request.

Massachusetts Mutual
Organized 1851

Bertrand J. Perry, Chairman of the Board

LIFE INSURANCE COMPANY
SPRINGFIELD • MASSACHUSETTS
Alexander T. MacLean, President



CALEB RICE

Caleb Rice served as the first president of the Massachusetts Mutual Life Insurance Company from the date of its organization in 1851 until the time of his death in 1873. At the end of that year, the total insurance in force was \$32,636,839.

Compare this with the record of achievement published in our 95th Annual Report as at December 31, 1946 showing . . .

596,397 policies in force, representing life insurance amounting to \$2,428,801,741, exclusive of Annuities and Group Insurance — an all-time high . . .

\$236,556,152 life insurance sold in 1946, exclusive of Annuities and Group Insurance—a 53% gain over 1945 . . .

\$28,400,000 Pension Trust sales in 1946 . . .

\$7,500,000 Group life insurance sold since October, 1946 when the Massachusetts Mutual entered the Group field . . . plus Employee Life Insurance of \$589,000 . . .

2,789 Annuities sold in 1946, providing for \$1,443,000 annual income payments . . .

\$53,923,084 paid to policyholders and beneficiaries in 1946.

Keeping faith with the practices established when the Massachusetts Mutual was organized in 1851, the directors and officers since that time, nearly a century ago, have perpetuated the conservative and efficient management of the company in the best interests of its policyholders.

Massachusetts Mutual Life Insurance Company, Springfield, Massachusetts. Organized 1851.

Fails to Win Exception to 3% Annuity Tax Rule

WASHINGTON — The Tax Court has sustained the internal revenue commissioner's ruling in Virginia M. MacArthur vs. Commissioner, involving questions of taxability in connection with two annuity contracts purchased by petitioner and her mother Ila M. Stewart, each for a consideration of \$25,000, of which each paid half. Each annuity contract provided for an annuity to the mother during her life, and thereafter to the daughter.

The Tax Court held that the commissioner did not err in denying exclusion from gross income of the amount above 3% of the consideration for which the daughter might have purchased separately an annuity contract for a period following the death of her mother, and in taxing 3% of the \$50,000 consideration paid, under section 22 (b) (2), internal revenue code. The commissioner has found a deficiency in income tax liability for 1941 of \$732.56.

In 1936 mother and daughter bought a joint and survivor annuity, from Mu-

tual Life for a single premium of \$25,000. This called for payment of \$84.58 monthly to Mrs. Stewart until her death and thereafter to the daughter until her death.

In 1937 the two women purchased a last survivor life annuity from Prudential for a \$25,000 premium, each contributing half the purchase price. Monthly payments of \$85 were called for to Mrs. Stewart until her death and after that to her daughter until the latter's death.

Mrs. Stewart died in 1940. Her daughter received \$2,034 under the two annuity contracts during 1941.

The Tax Court says Mrs. Stewart could have bought from Mutual Life in 1936 a life annuity payable to her at \$84.58 monthly for \$15,581, and the following year an annuity from Prudential paying \$85 monthly for \$15,376.

"Based on the American annuitants table," said the Tax Court, "with 3% interest and an expense allowance of 6 1/2% of the gross premium, assuming the age of the mother was 58 1/2 and the age of the daughter as 32 1/2, a deferred annuity that would pay the daughter \$85 a month after the mother's death would cost \$9,656.77. A life annuity for the mother, based on the same facts, would cost \$15,466.77."

The daughter contended that the 3% to be reported as income by her should

be based upon the cost of her annuities for the period of her life after her mother's death, and not upon the \$50,000 paid for the two annuities purchased jointly. The daughter argued that was the true meaning of "such annuity" in section 22 (b) (2), and that the commissioner's interpretation, in effect, that the annuity referred to as basis of the 3% is the one actually purchased, was contrary to the statutory scheme and decisions.

Petitioners' Contention

In substance, the petitioner's view as stated by the court was that each of the annuity contracts consisted really of two contracts, one with the mother for her life and the other providing a deferred interest in the daughter, beginning at her mother's death. The daughter contended that income tax payable by her should be 3% on the total of \$19,233 for which she could have purchased for herself survivorship annuity contracts, not coupled with life annuity.

The Tax Court said it was not shown that either company issued its contract on the 3% basis with 6 1/2% expenses, as supposed by an actuary who testified. The contracts were held single, not divisible. No evidence was found that either company calculated the annuity contracts on the basis of a division between life expectancies of mother and daughter, and the court held they may not be divided. It holds the congressional intent was to tax a reasonable portion of return upon investment in an annuity, but to recognize that some part of it might be capital. Whether the capital would eventually all be recovered, the court considers, "no primary concern," and the court was not impressed with petitioner's argument.

Colonial Promotes Pinque and Brown

Colonial Life has advanced F. J. Pinque from comptroller to vice-president and comptroller, W. C. Brown from associate actuary to actuary, and appointed Gertrude A. Schlachter assistant actuary. Mr. Pinque was with Bankers National Life of New Jersey before joining Colonial in 1943.

Mr. Brown, a fellow of both actuarial organizations, was with Empire Life of Canada for 10 years before joining the actuarial staff of Prudential of England's Canadian head office. He joined Colonial four years ago as mathematician, became assistant actuary in 1944 and associate actuary last year. Miss Schlachter holds degrees from Mount St. Vincent College, N. Y., and Fordham University. She joined Colonial in 1939 and became actuarial assistant in 1944.

Blank Farmers Life of Iowa Agency Director

Vernon D. Blank has been appointed agency director of Farmers Life of Des Moines. The company has set up an extended agency training program which he will direct. Meetings have already been held at Grand Island, Neb., and Salina, Kan., and others will be held at Chillicothe Mo., April 4-5, Des Moines April 7-8 and St. Cloud, Minn., April 10-11.

Mr. Blank, formerly supervisor in charge of training for the Des Moines agency of Bankers Life, has served on the faculty of Grinnell College and has a master's degree from Columbia. During the war he served as an instructor in the CAA.

J. E. Freeland Retires

J. Eugene Freeland, district manager for Prudential at Spokane, is retiring after 25 years with the company. No successor has been announced. He has been in charge of the Spokane office since 1931.

Mr. Freeland's associates honored him at a dinner with a gift of fishing tackle and equipment.

North Appoints L.I.A.M.A. Heads of Committees

Cecil J. North, vice-president of Metropolitan and president of Life Insurance Agency Management Assn. has named the following chairmen of L.I.A.M.A. committee for 1947:

Annual meeting, Harold M. Stewart, executive vice-president Prudential; agency cost, Raymond W. Simpkin, agency comptroller Connecticut Mutual; Canadian companies, J. A. McAllister, director of agencies Sun Life of Canada; cooperation with other organizations, Dudley Dowell, vice-president New York Life; compensation, Clyde F. Gay, vice-president John Hancock.

Education and training, R. B. Coolidge, vice-president Aetna Life; joint committee education and training, Vincent B. Coffin, vice-president Connecticut Mutual; field personnel, A. L. Dern, vice-president and director of agencies Lincoln National; finance, Wendell F. Hanselman, vice-president and superintendent of agencies Union Central; membership, Benjamin N. Woodson, executive vice-president Commonwealth.

Nominating, Grant L. Hill, vice-president and director of agencies Northwestern Mutual; companies writing A. & H., R. H. Belknap, director of agencies Occidental of California; companies under \$150 million ordinary in force, Frank L. Barnes, vice-president and agency director Ohio State Life.

Combination companies, Richard B. Evans, president Colonial; public information, Rolland E. Irish, president Union Mutual; quality business, R. J. Wood, assistant general manager Imperial Life of Canada; research advisory, Roger Hull, vice-president and manager of agencies Mutual Life; relations with universities, H. G. Kenagy, vice-president Mutual Benefit Life.

Missing

THE NATIONAL UNDERWRITER is printing this picture of Charles G. Howe, Jr., at the request of R. F. Clendenin, general agent for Northwestern Mutual Life at Louisville, who is Mr. Howe's father-in-law.

Mr. Howe, who was an industrial agent at Cincinnati for John Hancock,



CHARLES G. HOWE, JR.

disappeared the evening of May 16, 1946. He was 41 years of age, 5 feet 8 1/2 inches tall, weighed about 175 pounds, and had a scar over the corner of his left eye.

A reward of \$500 is offered for information leading to the establishment of the facts of his life or death and his condition or whereabouts if living. The information should be transmitted to Pinkerton National Detective Agency, Union Central building, Cincinnati. Telephone is Main 4643.

WELCOME NEWS

We at Commonwealth are greatly pleased with the decision to hold next year's NALU Midyear Meeting in Louisville, and we look forward to the event with high anticipation.

It will be a genuine pleasure to exemplify to the Association Kentucky's reputation for cordiality, established generations ago and constantly strengthened in the intervening years. It will, we trust, be an equal pleasure for guests and hosts alike.

Realizing full well the excellent quality of past meetings, we are confident of Louisville's ability to match them and to take up the challenge of setting a new and even higher standard.

Insurance in Force February 28, 1947 — \$313,329,020

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE • MORTON BOYD, President

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Estate Analysis Method Explained

Raymond B. Anthony, Equitable Society, talked on estate analysis in the Saturday sales forum at Chicago, telling of the method he developed and has used for some years. He has an information-gathering form with the man's assets in rough divisions and not detailed. These include: stock in his company, if a close corporation, or estimated valuation of partnership share if he is a partner; other stocks, bonds, cash, real estate, life insurance, including companies and amount in each; type of will he and his wife have. He seeks to pick up the policies for analysis and an unsigned copy of will.

Another form is entitled "Valuation for Estate and Inheritance Taxes." It, too, is an information form, intended to inform the prospect as to taxes, and explains methods of valuing close corporation stock, real estate, home or dwelling, negotiable securities and life insurance. Next there is an "Inventory of Assets" with values set down as closely as possible on the basis they would be taxed in the estate. A fourth form is "Tax Calculations," listing in proper order the 18 steps in calculating estate and inheritance taxes to ascertain total cash sums required.

Prospect Sees Point

Mr. Anthony said that after use of these forms the prospect is fully aware he must in some way provide for shrinkage of estate due to taxes and other estate settlement expense if he wants to pass his estate on intact to heirs.

Another fruitful step embodies use of one of two other forms, one for close corporation stock, the other for a partnership. There is a section explaining points about wills and how an estate may be taxed twice in event the wife dies five years or more after her husband. A testamentary trust is suggested.

A. S. Burkart Is Retiring from South Bend Post

Ansel S. Burkart has resigned his executive position with the Conservative Life division of Central Life of Illinois at South Bend, Ind. He was vice-president and general manager of Conservative Life when it was reinsured by Central Life, and he has been continuing with the organization, looking after, particularly, agency work.

Mr. Burkart for the past several years has been in uncertain health and has been in the hospital several times. He now expects to take a long rest.

J. True Smith will now handle all production matters for the Conservative Life division, and all other matters that were formerly handled by Mr. Burkart will be handled by Carlton H. Menge, secretary.

Mr. Burkart had been with Conservative Life since 1914.

N. W. Mutual Field Leaders Meet in Milwaukee

MILWAUKEE—John R. Mage, Los Angeles, chairman of the standing committee of the Northwestern Mutual Assn. of Agents, has announced a meeting of the officers and committee members at the home office in Milwaukee April 2-3, to consider plans for the association's annual meeting here July 21-23. As the first postwar meeting in 1946 was dedicated as the "Victory" meeting, so the 1947 meeting will commemorate the company's 90th anniversary.

Officers of the agents group are Guy E. Morrison, Indianapolis, president; Marue Carroll, Oshkosh, Wis., vice-president, and Herbert Schwahn, Milwaukee, secretary-treasurer. Committee members in addition to Mr. Mage are J. Robert Guy, New York; Richard M. Heftier, Chicago; Willard Momsen, Boston, and George Venable, Columbus, Ga., L. J. Evans, assistant director of agencies, is liaison representative of the home office.

or trust under a will. All phraseology is non-legal. Mr. Anthony always advises not to do a thing for tax-saving that would not be sound and desirable without the tax motive.

He presents at this point the natural uses of life insurance for tax and business purposes, and an explanation of the two major functions of life insurance: To provide cash when most needed to pay tax and estate settlement expense and protect estate from forced

liquidation; and to provide a basic financial plan of income guaranteed by contract for widow and children.

Then the time is ripe to explore the man's existing life insurance program, with distribution under beneficiary clauses, and to suggest any needed revision. The last form now is produced—covering most situations as to distribution of proceeds, and usually setting up three funds: One to be held at interest with unlimited rights of withdrawal for payment of taxes and other death expenses; a second an emergency fund held on deposit with interest payable monthly and right to beneficiary to

make withdrawals, but limited to fixed amounts in any one year, non-cumulative; third, the life income fund, charted in coordination with social security and showing guaranteed monthly income the widow will get for life.

There also is a summary sheet showing suggestions which have arisen naturally in the course of the analysis. Mr. Anthony's purpose is to cause the prospect to carry out these suggestions through his lawyer, and to make these suggestions so sound and logical that the lawyer will readily approve and by implication endorse the life insurance program.

THE MUTUAL LIFE'S STATEMENT OF OPERATIONS FOR 1946

Premiums from policyholders were \$136,981,880

Of this there was placed in policy reserves, to provide for current and future benefit payments 107,654,969

There remained for operating expenses 29,326,911

Operating expenses amounted to 21,233,973

There remained an excess of \$8,092,938

Policy reserves accumulated over a period of years for expected death benefits and other benefits during 1946 amounted to 114,377,254

Actual benefits in 1946 were 92,065,091

There remained an excess of 22,312,163

Net investment income (gross income—less \$2,111,153 taxes and expenses on real estate, \$746,000 federal income taxes and \$2,390,192 expenses for administration of investment portfolio) amounted to 49,490,097

Investment income required to maintain policy reserves and pay guaranteed interest on funds left with the Company was 49,482,791

There remained an excess of 7,306

Other miscellaneous gains amounted to 1,392,448

The gain from insurance operations was therefore 31,804,855

From which there was appropriated for further strengthening of policy reserves 5,846,669

After these reserve adjustments, the net gain from insurance operations was 25,958,186

Net gain from sale of investments and release of reserves on real estate, mortgages and other investments—less writedown in assets, amounted to 14,875,398

Therefore, net increase in surplus, before dividends, was 40,833,584

There was set aside for dividends to policyholders 15,820,431

Resulting in a net increase in surplus in 1946 of 25,013,153

The surplus as of January 1, 1946 was 94,355,710

The December 31, 1946 surplus was \$119,368,863

Our 2nd Century of Service

THE MUTUAL LIFE

INSURANCE COMPANY OF NEW YORK

"First in America"

34 Nassau Street, New York 5, N.Y.



Dewey Signs N. Y. Bills

ALBANY—Gov. Dewey has signed the bill authorizing a minor age 18 to receive and give discharge for a single payment life insurance benefit of not more than \$2,000. He also signed a bill including annuity business along with life insurance in the limitation of the amount of new business that may be written and giving the insurance superintendent the right to suspend the limit on the amount of new business.

Another bill approved by the governor gives the superintendent power to withdraw approval or to disapprove A. & H. policies if the benefits provided are unreasonable in relation to the premium charged or if they contain provisions which encourage misrepresentation or are deceptive. This is the measure worked out in cooperation with the A.

& H. business to provide the regulation necessary under public law 15 without the much more detailed type of regulation that is called for under the all-industry model casualty rating bill. The measure seeks to regulate the A. & H. business on the basis of fair trade practices rather than a rigid rating system.

The department already has the power to disapprove or withdraw approval already given from policies which are unjust, inequitable, or contrary to the public interest or the public policy of the state.

The senate passed and sent to the assembly the department fair trade practices bill. This bill was discussed at a hearing March 5 which was reported in last week's issue of THE NATIONAL UNDERWRITER.

Wm. H. Moore, Pacific Mutual general agent, who is president of the Kansas Assn. of Life Underwriters, has returned to his Wichita office following a 10-day attack of the "flu."

CONNECTICUT GENERAL Life Insurance Company Hartford, Connecticut

ROBERT W. HUNTINGTON
Chairman of the Board



FRAZAR B. WILDE
President

EIGHTY-SECOND ANNUAL REPORT

DECEMBER 31, 1946

ASSETS

Bonds
Stocks
Mortgage Loans
Real Estate (Home Office \$2,301,536)
Loans on Company's Policies
Cash
Interest and Rents Due and Accrued
All Other Assets

Admitted Assets

\$	336,972,930
	12,105,437
	166,053,943
	6,049,728
	13,625,640
	8,230,484
	3,845,838
	10,122,898
\$	557,006,898

LIABILITIES

Policy Reserves
Reserve for Future Payments on Claims
Policyholders' Deposits
Dividends Payable to Policyholders in 1947
Special Reserve
Taxes Payable in 1947
All Other Liabilities

Total

Contingency Funds
Capital Stock
Surplus

Total

Increase in Insurance in Force
Insurance in Force, December 31, 1946
Paid to Policyholders and
Beneficiaries, 1946
Paid to Policyholders and Beneficiaries
since Organization

LIFE, ACCIDENT, HEALTH AND GROUP INSURANCE AND ANNUITIES

C.L.U. National Group Meets

About 75 attended the luncheon of the American Society C.L.U. during the midyear convention of N.A.L.U. at Milwaukee. Laflin Jones, Northwestern Mutual home office, as arrangements chairman and vice-president of the Milwaukee chapter, opened the proceedings.

Roland Hinkle, Equitable Society, Chicago, national president, introduced the editor of the new C.L.U. magazine, Craig Wood of Philadelphia. Mr. Jones reported as chairman of the sales committee for this publication.

W. S. Leighton, New York Life, Minneapolis, reported as chairman of the by-laws committee that the incorporation of American Society had been completed at Philadelphia. He recommended that each local chapter adopt the standard by-laws.

Corydon Litchard, Massachusetts Mutual, Springfield, Mass., the treasurer, reported that the membership is higher and the association is well heeled financially.

Julian Myrick, 2d vice-president of Mutual Life, recalled that next month the C.L.U. will be marking its 20th anniversary and he traced something of the record of those two decades.

Howard Cammack, John Hancock Mutual, Charleston, W. Va., reported on the C.L.U. institute seminar that was held at Storrs, Conn., last year. He announced that another such institute will be held at the same place on estate planning, the week of June 16.

American General Holds Conference at Galveston

Agents of American General Life of Houston met at Galveston for a one-day sales conference. Attending from the home office were President Burke Baker, Davis Faulkner, vice-president and agency director; Dr. M. L. Graves, medical director, and Gus Wortham, president of American General Ins. Co.

Mr. Faulkner was in charge of the meeting. President Baker spoke on "Building a Sound Insurance Company," stressing the importance of having officials with the right viewpoint, care in investment of funds, proper underwriting methods, and an agency force which recognizes its obligations to purchasers of life insurance and to the company.

Mr. Wortham reviewed the progress of the company the past year and congratulated the agents on their contributions to it.

Mr. Faulkner spoke on "Peace of Mind," urging recognition that life insurance is the answer to the search of the average man for financial security and also the peace of mind that comes to the life insurance man who has a consciousness of work well done.

Penn Mutual Leaders

Penn Mutual had 11 million dollar producers by life insurance volume last year but counting by total volume, which includes annuities and term insurance, there were two more men on the list—Walter N. Hiller, of Chicago, who by the more inclusive count was the fifth highest man with a total of more than \$1,300,000, and Karl Bach of San Francisco, ninth man by total volume.

Penn Mutual's leader in lives was Walker Larimore of Miami; No. 2 man was Herbert W. Bailey, Jr., Pittsburgh; third, Erle I. Shobert, Pittsburgh; fourth, Lloyd A. Groth, Philadelphia; and fifth, Charles K. Johnson, Louisville.

Hold New Mexico Congress

The New Mexico Assn. of Life Underwriters is holding a sales congress March 21 at Albuquerque, climaxing a year of expansion during which the membership has increased from 53 to 151, with three local associations soon to be chartered at Roswell, Clovis and Santa Fe. Elwood Romney, Business

Men's Assurance, Albuquerque, membership chairman; Secretary Robert Conway and President O. K. Johnson, B. M. A. manager, have headed the membership drive.

Speakers will include Commissioner Apadaca, Robert Elder, vice-president and trust officer Albuquerque National Bank; Carl F. Krumm, insurance officer of veterans administration there, and a talk on taxation. Dr. Everett King, pastor of the First Presbyterian Church, will be banquet speaker.

Following the afternoon session general agents and managers will meet to consider the organization of a state association. Bert A. Hedges, Kansas manager of B. M. A., Wichita, will address that gathering.

Adams Speaks in Canada

Addressing the Ontario Sales Congress, James R. Adams, assistant director in charge of schools of L.I.A.M.A., told 1,700 agents that motivation is the process of making men want to do now something which they are already convinced they should do, but wish to put off. He outlined several ways in which the agent can make use of the power of motivation in selling the interview, describing the benefits and closing the sale by stressing the importance of immediate action.

Expands Detroit Setup

A new district office to be known as No. 7 has been opened at Detroit by Prudential under Daniel Brewis. For 21 years he has been an assistant district manager in Detroit No. 3. The organization will consist of six assistant managers, 42 agents and seven clerks.

B.M.A. New Mexico Meeting

The O. K. Johnson agency of Business Men's Assurance is holding a sales meeting March 22 following the sales congress of the New Mexico Assn. of Life Underwriters at Albuquerque. Bert A. Hedges, Kansas manager, Wichita, will speak.

Burton Wichita Speaker

The Wichita General Agents & Managers Assn. met March 17. L. R. Burton, American National, gave his prize winning sales presentation recently adopted by his company as a model. Progress of life insurance legislation in the Kansas legislature was reported by Bert A. Hedges, B.M.A. manager.

Hedges on Western Tour

On a month's trip through the west in his capacity as national president of the American War Dads, Bert A. Hedges, Kansas manager of Business Men's Assurance, Wichita, will also address a number of life groups including life managers at Los Angeles March 24, Fresno March 28-29, Oakland March 31, San Francisco April 2, Sacramento April 3, Seattle April 6, Portland accident and health managers April 8 at noon and life managers that evening, Salt Lake City managers April 12, and Denver Life Underwriters Assn. April 14.

Stone Addresses Institute

LINCOLN, NEB.—Bernard R. Stone, director of insurance, spoke before the Insurance Institute here on investment problems of life companies. He said the fact that the average American family now carries \$4,500 of life insurance shows the faith people have in the insurance business.

Estes, Jr., L. & C. Director

P. M. Estes, Jr., assistant general counsel, has been elected to succeed his father, recently killed in an automobile accident, as a director of Life & Casualty. After graduating from the University of Virginia and Vanderbilt school, Mr. Estes became assistant general counsel in 1936, but entered the army air forces in 1942, being discharged as a major in 1946.

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Union Asks \$50 Guarantee; \$10 a Week Increase

United Office & Professional Workers of America, CIO, has called upon the industrial insurance companies for which it is bargaining representative to provide a \$50 guaranteed weekly minimum salary and a \$10 across-the-board increase. UOPWA claims to represent 40,000 such agents.

Vice-president Leon W. Berney, in identical letters to the insurers, states that "the sharp rise in the cost of living, amounting to some 70% in the last five years, and about 25% in the last year alone, has not been met by comparable adjustments in the agents compensation." Also he contends the agent has "the additional burden of increased expenses in doing his job," which "subtract about 20% from his gross earnings."

Dentistry Is Postponed

"Agents have been compelled to meet the decline in their real earnings by using up savings, by borrowing, by postponement of vital needs like medical and dental care, repairs and replacements in the home, etc. No agent can be satisfied to see his children deprived of necessities to which they are entitled," the Berney letter states.

"Moreover, agents over the years have never really received a full return in compensation for the contribution they make. The tremendous growth in wealth, size and influence of the company, the new all-time highs achieved in production and conservation, have not been shared by the men and women who have done the work to make this possible—the agents."

Cites Reason for Increase

"It is clear that the rise in prices, diminishing purchasing power of the people, enormously high profit levels, and the intensification of labor productivity are combining to precipitate a new depression. Every agent already finds lapses and surrenders increasing, growing difficulty in writing new business.

"In all good sense, we must insist upon minimum measures of protection to shield the agent from the burden of diminution in new business, lapses, shrinkage in debts, intensified difficulty in collection drives, final, and all the other hardships that have most unfairly been thrust upon him in past depressions."

MONUMENTAL AGENTS CALL TRI-STATE STRIKE

Agents of Monufental Life in Ohio, Michigan and Missouri staged a walkout Monday and pickets are carrying placards in front of offices in several of the cities. Prominently featured were the \$50 and \$10 demands, that is \$50 minimum guaranteed weekly wage and a general increase of \$10 a week. Also the union is demanding closed shop, seniority, more liberal retirement plan, disability compensation, car allowance.

The strike was called when efforts to reach a wage agreement failed in negotiations at Baltimore.

The offices are remaining open to receive premiums and give other service to policyholders.

L. P. Rock, president of Monumental Life, was quoted as stating that less than 50% of the Ohio and Missouri agents are striking. He said that Monumental has rejected the demand for closed shop and for minimum guaranteed weekly premiums collection commission of \$50 and an increase of \$10 a week.

Strike headquarters are at Cleveland. It was said that that a walkout in 11 Ohio cities was 100% effective.

Members of United Office & Professional Workers Union were picketing the six branch offices of Monumental Life at Chicago. There were about 50 pickets at the office at 2320 West Law-

rence avenue, and R. E. Parrish, manager there, said that a police labor squad broke up the demonstration. Mr. Parrish said none of the company's agents were in the picket line.

The U. S. conciliation service asked union officials at Cleveland if the union would object to having it approach Monumental on the subject of a settlement. The union did not object.

The company has as yet made no move toward negotiating with the union. Detroit newspaper reports say that agents are already averaging over \$70 a week.

Homer B. Hansel Elected Agency V.-P. of Kentucky Home

Kentucky Home Mutual Life has elected Homer B. Hansel as vice-president in charge of agencies. He had previously been director of agencies.

Mr. Hansel is a native Kentuckian and was educated at Berea College. He later attended Evansville College, took a com-

plete course in life insurance, and qualified for the C.L.U. designation.

Mr. Hansel has been in life insurance sales 15 years, serving first with Mutual Life, and in recent years with John Hancock. He has served as agent, supervisor, and manager. He has been a successful personal producer, and is well posted on principles of life insurance as applied to business and group insurance, pension trusts, taxation, and estate conservation.

For the past five years, his time has been devoted exclusively to training and supervision.



Prop. & part. solve farm help problem ...

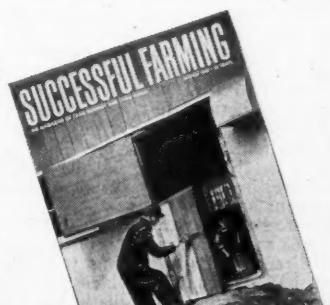
Farm labor has always been a subsistence job. His keep and low wages gave the hired man no incentive for interest and efficiency. Fat factory paychecks of the war years lured away farm labor—down 18% from 1938 to 1946. And today's mechanized farming requires a better calibre of farm worker.

Three farmers in Steuben County, Indiana found making a partner of the hired man is a profitable solution of their labor problem.

Floyd Carpenter, dairyman with 240 acres, who put young Vernon Berry on a partnership basis three years ago . . . has had 200% increase in milk production, and his herd has been upgraded during the period. Carpenter provided land and equipment; both share operating expenses, keep accurate accounts. Berry, has steadily upped his earnings, furnished a house, bought a car, is acquiring an interest in the farm machinery that will enable him to work his own land some day.

The two other partnerships are different, for smaller farms, one with an absentee owner; but have been mutually profitable.

"Take Your Hired Man Into Partnership" in March SUCCESSFUL FARMING is effective evidence on the progress—and policy potential—of the nation's No. 1 industry . . . and well worth the reading of any insurance man.



Farm-acy . . . at drug store prices, acre of average good hog pasture has \$800 of vitamin A and B complex . . . so pasture fed hogs are healthier, heftier, than dry-lot fed animals. "There's Profit in Hog Pastures," page 33.



Hot cows aren't necessarily so hot as milk producers. Unbalanced rations, poor late-cut hay turns to excessive body heat instead of milk, boosts feed bills, shrinks output . . . "Hay Burners in the Dairy Barn," page 144.



Death on dandelions . . . War developed, top secret killer, checks noxious perennial bindweed, Canada thistle, whitetop, but not useful grasses . . . is cheap, clean, non-poisonous. "Where Does 2, 4-D Pay," page 38.

Also . . . "Are We Whipping Swine Abortion?" . . . "Your Barn Can Fit Your Farm" . . . "Successful Homemaking" . . . dozens of other articles and features provide mental nourishment for an audience of mentally alert business men . . . selected from among the nation's most prosperous farmers . . . 1,200,000 subscribers in the 15 agricultural heart states . . . with largest cash incomes, highest yields, greatest property investment . . . best policy prospects in the United States today . . . For more facts call any office. **SUCCESSFUL FARMING**, Des Moines, New York, Chicago, Detroit, Cleveland, Atlanta, San Francisco, Los Angeles.

St. Louis Forum Considers Guertin Act, Joint Tenancy

ST. LOUIS—Interesting dissertations on the Guertin act and jointly owned property featured a meeting of the Trust & Insurance Forum. The speakers were Mayo A. Shattuck of the Boston and Washington law firm of Haussmann, Davison & Shattuck; Edward L. Faith, associate actuary General American Life, and Richard J. Weidert, assistant trust officer Mercantile-Commerce Bank & Trust Co. The forum was sponsored jointly by the Corporate Fiduciaries Assn., Life Insurance & Trust Council, and St. Louis C.L.U. chapter.

Mr. Shattuck talked on "Revocable Trusts." He is an authority on trust mat-

ters. Mr. Faith discussed the Guertin act and Mr. Weidert jointly owned property.

Mr. Faith summarized the model Guertin laws, which have been enacted in 26 states. In 11 other states new legislation was not required because laws were broad enough to permit operation on the new basis. In the other 11 states and District of Columbia proposed new laws are pending.

In connection with extended insurance, he said that the old law required that the cash value be convertible into extended insurance at new American experience rates. "The committee was convinced," he continued, "that the claim ratio may be higher when policies are running on extended insurance than when policies are continued in force or placed on the paid-up insurance basis. This point was not important under the old law because the American experience rates permitted were sufficient to cover the anticipated extended insurance mortality. But with the change to a substantially lower mortality table it became necessary to make some allowance for increased mortality rates under the extended insurance option. This was done by permitting the companies to use rates for mortality equal to 130% of those shown by the CSO table in converting cash value into extended insurance periods."

Many companies have been taking their anticipated mortality gains into account in establishing their premiums. The change in mortality table will decrease the premium and the change in interest will increase the premium, he said. When both factors are combined it is found that on the 10 year term plan at age 25 there is a \$5 reduction in net premium; at age 40, a \$3 reduction; at 55, the new and old premiums are about the same. For ordinary life, 20 pay life and 20 year endowment the effect will range from a decrease of \$1 to an increase of \$1, depending on age.

Since premiums will be based on a lower mortality table, the portion of the

dividend which comes from mortality savings will be smaller than in the past, while the portion which comes from excess interest earnings will be increased by a few cents at the start but the increase will become larger each year, and by the end of the 20th year it will be \$2.11.

He expressed belief the policy form is going to be affected by all of these changes brought about by the new laws and "not entirely in a favorable manner."

Mr. Weidert said the term "joint ownership" is used interchangeably to include tenancy by the entirety as well as estates in joint tenancy. There has been a marked increase in joint ownership in 31 of the 48 states and D. C. in the last 10 years, and the device of joint-ownership is a two-edged sword which sometimes may cut to the advantage of the person using it, but also sometimes to his disadvantage.

Discusses Gift Tax

He discussed the gift tax law, noting a growing trend to place title to property in the names of husband and wife, and that there are indications that husbands are putting family residence, bank accounts, bond and stock certificates in the names of themselves and their wives. There is a common notion prevalent that property held in the joint names of husband and wife will, on the death of one, automatically pass to the survivor without the necessity of administration expenses and free from estate or inheritance taxes, but should the husband purchase property and take title thereto in names of his wife and himself, which property is subject to a mortgage, later payments made in satisfaction of the mortgage would result in further gifts to the wife, and an additional gift would result if the husband, after acquiring title to the property in this manner, should expend money in improvements thereon.

A gift also results if the husband causes a tenancy by the entirities to be

(CONTINUED ON PAGE 28)



37th Annual Financial Statement

DECEMBER 31, 1946

RESOURCES

Cash	(2.1%)	\$ 689,321.46
Bonds:		
U. S. Government	(39.8%)	\$13,264,780.48
State, County, and Municipal	(4.5%)	1,501,559.13
Canadian Provinces and Cities	(1.5%)	504,621.49
Public Utilities	(15.0%)	5,012,131.49
Railroad	(2.2%)	743,480.88
Industrial and Institutional	(1.5%)	492,525.54
Total Bonds	(64.5%)	\$21,519,099.01
Stocks	(2.4%)	798,442.20
First Mortgage Loans	(24.6%)	8,199,701.70
Policy Loans	(3.4%)	1,129,952.62
Real Estate and Contracts for Deed	(1.6%)	521,356.02
Premiums Due and Deferred	(1.0%)	346,781.12
Interest Due and Accrued and other items	(.4%)	143,322.31
TOTAL	(100%)	\$33,347,976.44

LIABILITIES

Taxes and other Governmental Fees	\$ 57,829.45
Policy Claims currently outstanding	216,515.21
Premiums and other obligations paid in advance	484,421.84
Dividends left with the Company to accumulate, and declared to December 31, 1947	65,681.53
Other Unclassified Items	38,023.44
Total Current Liabilities	\$ 862,471.47
Reserves on:	
Life Insurance Policies	\$25,282,075.36
Annuity Contracts	1,908,076.00
Present value of Death and other claims payable in installments	2,160,051.80
Accident and Health Policies	151,149.60
Other Trust Funds	121,257.05
Total Reserves	29,622,609.81
Total of all Liabilities	\$30,485,081.28
Reserve for Fluctuation in Mortality and Interest	\$ 250,000.00
Contingency Reserve	500,000.00
Capital Stock	1,000,000.00
Surplus	1,112,895.16
TOTAL	\$33,347,976.44

LIFE INSURANCE IN FORCE \$107,076,646

LIFE • ACCIDENT • HEALTH • HOSPITAL

Panel on Prospecting Is Staged in Chicago

Time spent in prospecting is quite as important as in selling, Arthur Silver, John Hancock agent, declared in a talk on endless chain prospecting from the viewpoint of a debit man in the panel on prospecting methods at the Saturday sales forum of the Chicago Assn. of Life Underwriters.

"The sound industrial agent can get a substantial volume of business by having his people work for him," he said. "When he has obtained the respect and confidence of his people, he will eventually have 300 to 400 people working in his behalf. They will tell him of new families that have moved to his section. They even go with him, or for him, to see these new people, and incidentally tell them about life insurance. This group can furnish the agent with more places to go to sell insurance than he can possibly get around to."

Notes Fatal Assumption

Mr. Silvers says it never pays to assume a client or prospect has the limit of insurance he can afford to own. "How many other men are calling on your policyholders, knowing they haven't that maximum? You may believe that it doesn't pay to call on him, or perhaps think he resents your call. Your policyholder will resent your call only when you fail to contact him, and incidentally take care of his needs as you should."

Policyholders should be kept constantly in the prospect file, he advised. They are the best prospective purchasers the agent has.

Edward A. Brucks, Connecticut Mutual, gave an interesting talk on telephone and direct mail prospecting techniques. First he selected a list which would enable him to contact persons in the upper

income brackets, for he felt they would have a better appreciation of life insurance. His lists are linked to a particular field or industry. Second, he decided to mail a minimum of five letters daily relative to the type of work in which he was specializing, a letter brief and to the point, offering a service in solving "personal finance problems," and taking into account present investments, life insurance, annuities and methods of saving money. Also touching on tax-saving possibilities, and stating he plans to telephone on a stated day for an appointment.

Uses Names Freely

In following up these letters and calls, Mr. Brucks said, he uses all finesse possible. By selecting a list related to some field, profession or industry, he can mention names familiar to each prospect. He catches attention over the phone with such names.

"I've found that my best interviews are with men that will give me three or four objections as to why they don't want to see me," Mr. Brucks said. "I'm convinced that the harder a prospect is to see, the easier he is to close. The reason, I believe, is that he has prided himself on evading underwriters, and consequently he hasn't had the services rendered that were required."

Mr. Brucks has made a card index of all objections he has heard, with answers below on the cards. They fall into some 20 categories.

When he began to use this system, he was averaging about one interview out of five letters; now he averages 50%. The endless chain system has been developed to the point where he can get

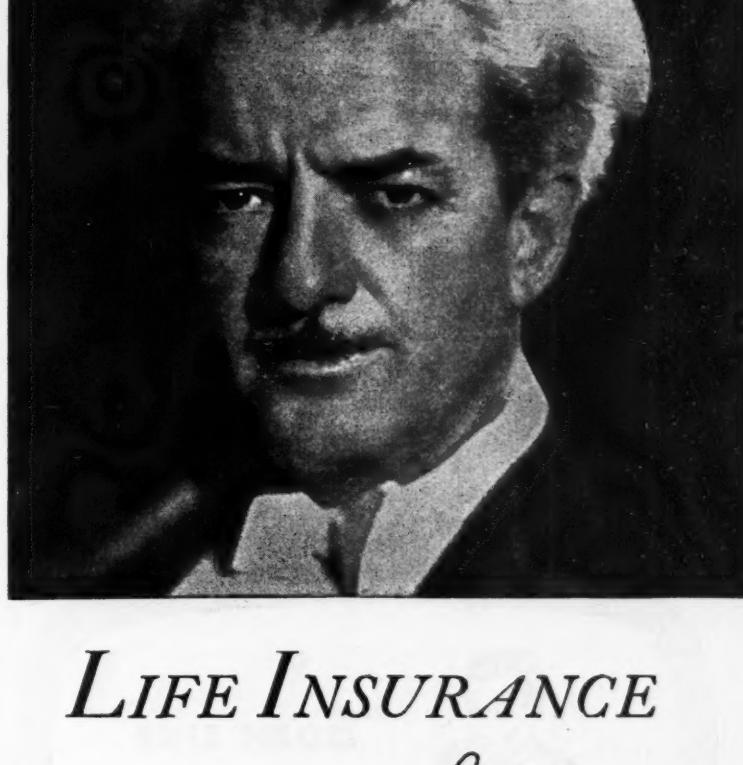
(CONTINUED ON PAGE 27)

Life Insurance Results in 1946 in Four States Reported

ILLINOIS

All figures are for ordinary unless designated (G) for group or (I) for industrial.

	New Business	In Force	New Business	In Force
Acacia Mut.	\$ 8,180,336	48,709,370	(G) \$ 311,500	5,562,238
Aetna Life	17,715,723	134,925,143	(G) 6,932,469	29,936,262
(G) 200,554,973	425,134,122		552,500	24,339,195
Alliance Life	5,055,943	38,742,752	3,516,172	15,319,378
(G) 216,750	627,250		840,195	5,981,008
Amalg. L. & H.	22,000	49,500	Old Line Life	679,881
(G) 997,500	4,898,000		7,328,523	
Amer. H. & L., Tex.	62,666	149,445	Old Rep. Credit....	4,688,919
(G)	45,500		(G) 4,881,316	
American Mut., Ia.	1,258,380	9,366,445	(G) 19,237	78,161
American Nat'l, Tex.	4,483,178	14,973,374	Pacific Mutual	6,231,904
(I) 6,841,440	32,832,435		(G) 106,000	315,500
American Standard.	6,000	688,354	Pan-American	387,369
(G) 12,162,200	32,983,100		(G) 71,000	212,000
American United	3,785,661	18,825,420	Paul Revere	2,610,916
Bankers Life, Ia.	9,327,653	95,664,624	Penn Mutual	19,697,735
(G) 4,030,309	21,799,881		Peoples Life	682,778
Bankers Life, Nebr.	3,564,089	10,746,260	(G) 15,300	5,558,092
Bankers L. & Cas.	1,433,170	16,339,644	Philadelphia Life ...	210,800
Beneficial Stand. L.	173,884	158,884	Phoenix Mutual	5,388,632
Berkshire Life	1,455,806	18,141,802	Postal Life & Cas.	50,047
B. A. R. Empl.	148,098	140,098	Prov. L. & A., Tenn.	460,592
(G) 2,239,000	1,789,000		(G) 531,500	1,393,755
Business Men's A.	1,844,413	10,242,114	Prov. Mut. Life, Pa.	7,922,053
Canada Life	126,941	13,584,958	(I) 60,229,602	60,229,602
(G) 1,478,900	1,843,000		Prudential	169,014,248
Central Life Assur.	1,879,392	17,514,434	1,188,995,933	
Central Life, Ill.	2,689,439	26,190,276	(I) 50,065,382	687,978,434
(I) 857,925	603,540		(G) 64,459,853	157,789,886
College Life	108,000	108,000	Reliance Life	2,207,568
Columbian Nat'l	1,512,404	14,799,591	Reliance Mut., Ill.	23,321,705
(G) 23,500	104,000		(I) 865,838	4,240,595
Columbus Mut.	483,052	10,603,187	Rockford Life	11,000
Commonw'h L. & A.	171,000	99,000		156,000
(I) 11,767,747	6,979,328		(I) 7,235,545	26,000,005
Conn. Genl.	9,015,476	67,122,568		
(G) 25,891,308	51,130,580		(I) 4,162,452	
Conn. Mutual	16,056,280	114,034,029	Security Mutual	535,396
Conservative Life	839,581	4,627,696	Standard Life	371,573
Continental Assur.	13,384,260	73,203,387	State Life	228,166
(G) 44,811,593	97,218,767		State Farm Life	7,160,657
Country Life	42,618,246	284,580,200	(G) 6,283,394	24,087,371
(G) 881,500	1,697,000		State Mutual	26,627
Credit Life	608,658	308,311	(G) 11,141,526	63,434,958
Equitable Society	56,771,281	51,328,933	(G) 330,000	228,500
(G) 148,603,219	334,271,793		Sterling Ins.	1,865,128
Equitable, Ia.	11,422,121	94,361,350	(G) 163,500	386,500
Expressmen's Mut.	380,565	3,969,036	Sun Life, Can.	9,624,822
Farmers Life, Ia.	480,024	897,562	(G) 16,106,558	77,980,578
Federal Life, Ill.	5,844,330	41,336,657	Sun Life, Md.	2,368,732
(I) 2,927			(I) 4,878,137	5,045,404
(G) 861,620	2,938,637		Supreme Lib. Life.	3,144,918
Federal Life & Caa.	1,016,365	1,016,365	(I) 7,051,667	
(I) 108,366			(G) 11,809,111	23,880,732
Fidelity Mutual	4,615,508	22,204,600	Travelers	23,543,654
Franklin Life	13,665,441	67,966,014	(G) 254,467,994	
General American	2,665,900	24,981,712	(G) 169,818,496	376,526,837
(G) 12,941,428	27,779,360		Union Central	9,198,250
Girard Life	162,719	1,644,357	Union Labor	196,952
Globe Life, Ill.	3,077,129	27,594,139	(G) 2,351,500	939,841
(I) 1,885	2,362,285		Union Mutual	858,133
Golden State Mut.	321,100	895,000	(G) 3,494,511	
(I) 892,814	1,435,997		United Benefit	9,686,821
Great Lakes	2,367,055	3,263,234	(I) 28,372,029	
(G) 620,428	962,530		(G) 475,500	1,117,311
Great Northern	581,752	3,842,726	U. S. Life	5,871,357
Great-West Life	12,010,889	59,729,580	(G) 272,642	1,978,494
(G) 5,950,558	25,247,286		(G) 1,220,500	1,360,000
Guarantee Mut.	2,129,772	15,818,882	Victory Mutual	441,104
Guardian Life	4,053,774	27,470,281	Washington Nat'l.	3,152,703
Home Life	5,834,355	39,860,882	(G) 2,325,167	22,465,103
III. Bankers Life.	2,127,436	52,371,924	(G) 1,671,800	12,699,519
(I) 585,500	696,500		(I) 7,632,978	17,549,757
Indianapolis Life	2,844,640	31,283,967	Western & Southern	23,223,146
Jackson Mutual	609,500	665,000	(I) 103,454,070	
(I) 6,482,555	8,837,910		(G) 15,145,740	115,497,536
Jefferson Nat'l	780,585	961,585	(G) 296,500	1,256,550
Jefferson Standard.	754,278	1,509,467	Wisconsin Nat'l	1,446,316
John Hancock Mut.	62,092,394	316,273,315	Woodman Cent. As.	32,821
(I) 15,349,024	129,980,075		Woodmen Central L.	541,500
(G) 60,702,470	109,237,396		World Ins. Co.	721,936
Kansas City	3,376,574	20,282,053	(G) 1,671,800	3,054,797
Lafayette	766,050	3,205,974	(G) 1,000	26,000
Life of Virginia.	894,692	3,040,487	Total New Ordinary	\$1,139,849,469
(I) 56,673			Total New Group	1,062,728,980
Lincoln Nat'l	34,436,060	163,273,427	Total New Industrial	213,542,664
(G) 11,158,250	11,182,000		Total All Lines	2,416,121,113
Loyal Protective	150,281	398,138	Total Ordinary in Force	13,220,758,284
Lutheran Mut.	2,311,463	15,355,222	Total Group in Force	8,945,994,752
Manhattan Life	1,506,379	5,744,092	Total Industrial in Force	2,292,267,915
Manufacturers Life.	2,830,818	17,442,190	Total in Force	1,982,505,617
Massachusetts Mut.	18,179,211	202,696,715		
(G) 380,000	393,500			
Metro. Life	167,710,991	1,432,810,000		
(I) 50,696,010	794,518,426			
(G) 264,411,050	544,258,768			
Metro. Mut. Assur.	26,000	26,000		
Midland Mut.	3,265,575	29,358,445		
Minnesota Mut.	1,213,240	7,726,620		
(G) 4,485,225	21,768,971			
Missouri	466,568	1,042,740		
(I) 1,542,218	1,965,608			
(G) 6,209,033	6,804,009			
(G) 99,000	99,000			
Monarch Life	1,217,088	3,626,940		
Monumental Life	7,591,510	26,913,153		
(I) 3,045,170	33,998,179			
Mutual Benefit	15,150,915	197,939,703		
Mutual Life	16,857,998	331,997,161		
Mutual Trust Life.	5,716,442	50,089,110		
National L. & Acc.	5,622,763	25,524,164		
(I) 12,086,011	56,887,976			
(G) 274,500	715,400			
Natl. Life, Ia.	1,199,839	6,555,106		
Natl. Life, Vt.	6,360,462	47,553,628		
New England Mut.	26,976,920	201,172,290		
New York Life	60,850,632	773,215,090		
North Amer. Acc.	627,737	1,137,383		
North Am. Life, III.	4,033,578	21,790,000		
(G) 340,550				
N. Amer. Reassur.	1,402,800	7,809,606		
Northern Life.	2,005	324,793		
Northwest. Mutual	44,791,575	498,710,023		
Northwestern Nat'l.	8,019,506	51,209,525		



*LIFE INSURANCE
is Magic!*

said BLACKSTONE, World's Master Magician, to his Union Central audience.

"I feel like a magician speaking to other magicians. For your business, too, is magic . . . a financial magic which transforms hopes into happiness; anxiety into assurance.

"I'm convinced that the magic of life insurance should be performed with all the people of all the countries of all the world as a participating audience."

★ ★ ★ ★ ★

The 80 year record of The Union Central is a tangible demonstration of the Magic of Life Insurance. American families who now own over a billion and a quarter dollars of life insurance protection and security with the Company . . . and those who have received over a billion dollars in payments, know better than anyone else, that Union Central Life Insurance is Magic!



*Eighthieth Anniversary Year
THE Union Central LIFE INSURANCE CO.
CINCINNATI, OHIO*



"SOME LIKE IT HOT..."

FAMILY INCOME, like pease porridge, should be served to the buyer's taste.

Hence these flexible features of Occidental's Family Income plans:

Added to any basic policy—Retirement Income to 5-Year Renewable and Convertible Term.

\$15 per month or \$10 per month per \$1,000.

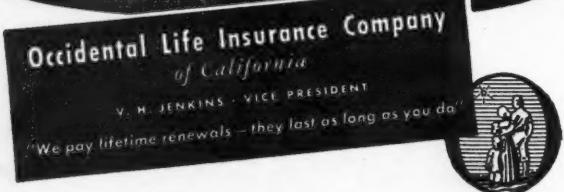
10, 15 and 20-year periods, or to age 60 or 65.

Added to old issues. Added to part of a policy.

Like it hot or like it cold, we have Family Income the way he wants it.

OCCIDENTAL LIFE Insurance Company
of California ★ V. H. JENKINS, Senior Vice-President

"We pay lifetime renewals—they last as long as you do"



PENNSYLVANIA

					(G)	1,100,500
Acacia Mutual	5,201,805	40,181,653				8,002,689
Aetna Life	21,521,824	173,759,434				36,604,756
	(G) 168,366,535	327,738,159				
All States	954,500	954,100				
	(I) 3,436,654	18,203,620				
Am. National	1,195,961	4,070,264				
Am. Standard		917,321				
	(G) 223,000	2,679,750				
Am. United	*1,080,370	*11,847,151				

Ambitious young man wanted immediately for Junior Underwriter with a fast growing company. Good salary and excellent opportunity for advancement. Give all details in your reply and send to Mr. A. C. Vanselow, Personnel Director, Franklin Life Insurance Company, Springfield, Illinois.

	New Business	In Force
\$	\$	\$
196,202	(I) 2,767,757	24,571,799
366,346	(G)	11,000
513,270	831,747	4,275,524
543,906	Philadelphia Life	44,350,924
554,792	(G)	3,000
732,694	Phoenix Mutual	40,981,332
80,007	Presbyterian Minist.	11,918,403
28,006	Provident L. & A.	1,866,774
121,286	(G)	333,358
122,644	Provident Mutual	3,312,500
7,500	Prudential	22,973,016
2,500	(G)	225,633,229
50,342	278,203,105	1,979,091,827
29,642	(G)	285,852,645
31,800	(I) 100,033,551	1,332,380,321
28,220	Quaker City	15,276,958
49,500	Reliance Life	18,305,259
63,340	Scranton Life	5,178,398
46,500	Security Mutual	2,539,169
95,322	(G)	244,000
40,381	Standard of Am.	2,029,308
36,000	State Farm	1,790,104
56,132	(G)	172,336
40,448	State Life, Ind.	585,105
92,810	State Mutual	5,721,090
2,280	(G)	40,332,413
55,322	Sun of Canada	910,000
48,872	(G)	553,000
72,798	Sun Life Am., Md.	12,625,158
61,318	(I)	6,117,316
29,526	Superior Life	5,228,748
16,840	(I)	21,994,596
52,042	Travelers	6,882,437
55,545	(G)	9,049,591
56,249	22,980,028	203,388,614
33,000	(G)	379,279,132
57,135	Union Central	5,423,122
27,554	Union Labor	98,645
19,808	(G)	458,582
33,109	Union Mutual	5,318,500
16,559	(G)	8,521,500
31,017	United Benefit	2,336,288
15,419	(G)	11,141,883
7,400	United, Ill.	14,540,636
2,181	(I)	40,617,371
3,900	United L. & A.	60,000
6,386	(G)	56,750
3,609	Washington Natl.	4,369,223
338	(G)	979,017
7,704	Western & Southern.	6,414,963
1,000	(G)	6,522,570
5,011	13,047,373	10,070,383
5,482	(G)	17,095
2,121	Total New Ordinary.....	46,046
1,820	Total New Group.....	22,957,019
0,130	Total New Industrial.....	19,283,010,475
0,545	Total All Lines.....	2,769,816,010
7,431	Total Ordinary in Force	2,635,369,628
2,012	Total Group in Force.....	3,250,647,656
0,678	Total Industrial in Force.....	15,169,027,769
7,439	Total in Force	56,921,934
0,702		
4,308	*Includes \$3,220 Fraternal; †Includes \$3,	
5,112	576,182 Fraternal.	
3,848		
3,544		
3,375		
1,119		
5,338		
1,189		
0,007		
6,600		
9,915		
6,672		
0,000		
0,777		
3,666		
5,524		
7,781		
1,919		
7,944		
2,328		
9,202		
9,622		
908		
0,000		
5,351		
6,936		
0,000		
5,354		
7,818		
1,919		
7,944		
2,328		
9,202		
9,622		
9,622		
0,000		
4,131		
163		
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811		
373		
347		
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481		
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XUM		

for 91 lives in 1946 and obtained 15% of his business from pension trusts. He was first attracted to life insurance at age 30 because of its independence and unlimited earning possibilities, and after four years was writing \$250,000 annually. He sets a quota—and sticks to it—averaging 17 calls a week that result in seven interviews.

Although last year was the most outstanding in New England Mutual's 111-year history, this average man predicts that business this year will equal and in most cases be better than it was in 1946.

Economic, Political Trends to Regulate, Buford Says

ROANOKE — Future economic and political trends will determine government regulation of the insurance business, Paul C. Buford, president of Shenandoah Life, told the Roanoke Bar Assn.

Governmental regulation of the business of insurance, he said, "is highly desirable and necessary. The modern insurance business holds a commanding position in the trade and commerce of the nation."

He traced the regulation of the insurance business by state law for 75 years prior to 1944 and said that by this regulation "the people were given reasonably adequate protection."

"The Virginia regulatory laws have been adequate and much more than an average job has been done in the way of enforcement," Mr. Buford declared.

Metropolitan Changes

A. Evariste Desjardins, formerly a field training instructor for Metropolitan Life, has been appointed manager at Augusta, Me. He succeeds Thomas J. Sheehy.

Mr. Desjardins joined Metropolitan at Augusta in 1926. In 1928 he was made assistant manager at Biddeford, Me. In 1945 he went to the home office. He is a member of the board of Sanford Institution for Savings.

Clarence T. Borden, formerly field training instructor, has been named manager at St. Johnsbury, Vt. He succeeds Albert St. Laurent, who is on disability.

Mr. Borden joined Metropolitan at Fall River, Mass., in 1926. He was promoted to assistant manager there in 1928. He later served as assistant manager at Taunton, Mass., and subsequently was appointed field training instructor.

Mr. Borden is a former president of Taunton Assn. of Life Underwriters.

Colonial Issues 'Almanack'

Colonial Life, in commemorating its 50th anniversary, has published the "Colonial Almanack," a 32 page booklet in style reminiscent of that used for "Poor Richard's Almanack."

The booklet contains a tribute to Ernest J. Heppenheimer, founder of the company, and now chairman of the board. It also acknowledges the guidance of Charles F. Nettleship during his 46 years of close association with Mr. Heppenheimer. Mr. Nettleship was vice-president of the company at the time of his retirement in 1943.

The "Colonial Almanack" summarizes the events that characterized each of the years from 1897 through 1946. Intertwoven with this historical summary are facts indicating the progress of the company during the past 50 years.

Victory Life in A.L.C.

Victory Life of Topeka has been admitted to membership in American Life Convention, which now counts 213 companies as members.

Another 5-Year Extension

WASHINGTON—The House passed and sent to the Senate the bill providing for another 5-year extension of 5-year-level-premium-term U. S. Government insurance for veterans of the first world war.

The poll, conducted by "Pilot's Log," indicated that "Mr. First Hundred" paid

THE BIG BOYS . . .

During 1946, we had one Agent who paid for \$516,000 Ordinary.

We had 62 who paid for more than \$200,000 and 308 more who paid for from \$100,000 to \$200,000.

These figures include no Group, no Industrial, no Pension Trusts, etc. and all of these men were Combination men, handling Industrial along with Ordinary, just as all of our field men do.

The NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.



EDITORIAL COMMENT

The Rhode Island S. B. L. I. Plan

The savings bank life insurance bill recently introduced in Rhode Island, though cut on a pattern quite different from that in New York, Massachusetts and Connecticut, is just about as objectionable from the viewpoint of the regular life insurance business. The life companies and agents in New York have indicated, in connection with the savings banks attempts there to increase the limit from \$3,000 to \$5,000 per life, that they would not object to the banks acting as agents for their own company but the central reinsurance corporation provided for in the Rhode Island plan would not be the sort of company urged in New York.

The Rhode Island plan calls for a reinsuring corporation which would only reinsure the net amount at risk, the reserve being held by the individual banks. The policyholder's dividend would be made up partly of a mortality dividend from the reinsuring corporation, which would be the same for policyholders of each age, duration, and plan of insurance, and an interest dividend based on what the issuing bank earned on his reserve. This system would still make it possible for the banks to assign their high-yield securities, such as mortgages, to the insurance reserves and leave the bank depositors with the low-interest investments.

This favoring of life reserves so as to create a favorable net cost picture, which is at the expense of interest earnings that would otherwise be paid to saving bank depositors, has been one of the most frequent accusations against the savings bank life insurance system in the three states where it now operates. In effect it amounts to a subsidy of the life insurance department by the bank depositors. The banks' ostensible reason for this discriminatory treatment is that since bank deposits are more subject to demand they should be backed by more liquid securities than is necessary for life insurance reserves. This argument sounds plausible until it is remembered that back in the day when the banks could get plenty of mortgages at a good rate of return they were very glad to have them in their savings portfolios.

Not only can the savings banks favor their life insurance departments in the matter of investments, but in allocating expenses as well. Here, again, the policyholders get what amounts to a free ride from the depositors.

If savings bank life insurance were issued by a central insurance corporation, which assumed not only the mor-

tality risk but also the handling of investments, with the banks acting merely as outlets, neither the companies nor the agents would have any legitimate basis for complaint. It would still be possible for the banks to fudge in the matter of expenses but their expenses as agents would be less, and there would be no opportunity for discrimination in the matter of investments.

Putting bank insurance under the same regulations and safeguards as regular life insurance would also diminish the opportunities for incomplete comparisons. An article in the Providence "Journal" which described the Rhode Island proposal said that "what the banks plan to offer is simply this: life insurance at roughly one-third the net cost of that offered by the established companies." This is of course grossly misleading and is based on the fact that because the banks do not have the first-year commissions the first year—and only the first year—net cost is vastly more favorable to the banks. Further along in its story the "Journal" states that "the net cost of Massachusetts Savings Bank life insurance for the first year (\$1,000 straight life at 35) is \$7.57. Of the 21 other companies, the lowest net cost is \$19.53." This is, of course, due to the banks' first year surrender value which not many companies have on account of their first year acquisition costs.

Not the least objectionable feature of the savings bank type of competition is the invisible subsidy through the unwarranted prestige and sense of security that a savings bank is able to convey because insurance applicants unconsciously assume that the FDIC-guaranteed security of the bank is behind their life insurance reserves. It would be interesting to know how many savings bank life insurance policyholders who confidently buy policies from a bank because they trust the bank would be willing to buy from an unknown life company with no greater financial resources than are actually back of the life insurance operations of the bank.

Naturally, neither the companies nor the agents can be expected to be enthusiastic about non-agency competition but they have made it clear that it is not the non-agency feature of savings bank life insurance that they object to. But they have good reason to object to a system which is subtly subsidized, operates under different rules, through representatives who meet no licensing requirements as to fitness, and which

keeps continually sniping at the agency method of doing business.

The social welfare pretensions of savings bank life insurance have become even more transparent in the light of the banks' frantic efforts in New York state to raise the limit to \$5,000 per life. In Rhode Island there would be virtually no limit, for each bank could issue up to \$5,000 and there would be no limit on the number of banks from which an applicant could buy except that imposed by the central reinsuring

corporation. Savings bank life insurance provides something of a bargain for the shrewd, informed buyer who knows enough about coverages to offset the possible ignorance of the bank clerk with whom he deals. As for much larger group of low-income persons who need life insurance but who also need a good deal of missionary work before they become sufficiently convinced to buy, there is only one way of getting them protected and that is through the efforts of agents.

Prospects Now Have to Be Convinced

Life insurance salesmen realize the fact that they will be called upon to bring their selling technique into play, because people are not buying insurance as they have been. That is, even though they have the money, they want to have information as to what they are buying. Heretofore, it has been purely a buyer's market. Agents would appear and recommend some policy without much ado

and the prospect signed on the dotted line. Now he is asking questions. He wants to know what the insurance will do for him. He is counting the cost. He wants to get the policy that is best adapted to his needs. The agent therefore, must take more time in what he is presenting in convincing the prospect that the recommendations are sound and practical.

PERSONAL SIDE OF THE BUSINESS

G. A. White, president of State Mutual, spent two days in Atlanta last week, visiting the Georgia agency, which is headed by Charles G. Bethea, general agent. He was accompanied by Robert H. Denny, vice-president in charge of agencies. Mr. White stated he expected leveling off processes to be manifested during 1947, but foresaw five years of prosperous conditions in business. He has visited half a dozen leading cities in the south.

Arthur B. Wood, president of Sun Life of Canada, accompanied by J. A. McAllister, director of the world-wide sales organization, was honor guest at a banquet tendered him on a visit to Atlanta last week. J. E. K. Kennedy, Georgia manager, was host. A two-day session of the company's representatives was held.

Henry J. Royer, Chicago manager of Ohio National Life, who has been confined to his home since last August with a serious heart affliction, is not able to spend any time at his office. George S. Severance, associate general agent, is in charge.

James P. Heinen, manager of Milwaukee district No. 5 of Prudential, has completed 30 years with the company, all in Milwaukee. He was honored by company officials and associates at a dinner.

S. J. Stevenson, head of the Milwaukee agency of National Guardian Life, was honored at a luncheon in recognition of his 25th anniversary with the company. He started in life insurance with that company and has been located in Milwaukee the entire period. Some 35 members of the Milwaukee office and sales forces attended the luncheon, at which the company was represented by Richard Boissard, president; L. J. Larson, newly elected executive vice-president; Clayton Howdle, treasurer; A. G. Schmedeman, Jr., director of agencies,

and Don Clapp, agency secretary.

Frank S. Townsend, manager of the Allen, Russell & Allen agency of Connecticut Mutual, Hartford, has been named co-chairman of the recently formed special gifts committee for a fund to increase facilities at Hartford hospital by seeking a \$3 million fund.

Abner A. Heald, Milwaukee, general agent John Hancock Mutual and president Wisconsin Life Managers & General Agents Assn., has been appointed chairman of the general campaign committee for Milwaukee county of the University of Wisconsin foundation drive to raise \$5,000,000 for the university's 100th birthday. Herbert Schwahn, Northwestern Mutual, is assistant county chairman, and members of the committee include George Rowe, New York Life; William Pryor, Connecticut Mutual; George Mayer and Godfrey Morton, New England Mutual, and Richard Forester and Merrill Taft, Mutual Benefit.

DEATHS

John Fairfield Dryden, II, 53, grandson of the founder of Prudential, died at the age of 53 at Morristown, N. J., not far from the family estate at Bernardsville. Mr. Dryden represented Prudential at Washington from 1919 to 1927 when he resigned to become president and director of Investors of Washington, Inc.

Oscar Winn, Miami general agent for Reliance Life, died at the age of 67. He had been inactive for several years.

Fred F. Iauco, 56, Prudential agent at Syracuse, N. Y. for 25 years, died there.

George R. Bennett, 56, special agent for Northwestern Mutual at Wausau, Wis., a charter member and past pres-

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PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO 4, CAL.—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Pacific Coast Manager. Guy C. Macdonald, Pacific Coast Editor.

XUM

ident of the Wisconsin Valley Assn. of Life Underwriters, died unexpectedly of a heart attack at Ft. Lauderdale, Fla., where he and his wife were spending a winter vacation.

John J. Spear, who was for many years a prominent Chicago life insurance agency head, died at St. Francis Hospital, Evanston, Ill., Monday. He was 76. In recent years he had been operating as John J. Spear & Associates at 208 South LaSalle street.

Mr. Spear was at one time Chicago manager for North American Life of that city. He was a son-in-law of Col. Thomas J. Knox, who was a vice-president of North American. When Col. Knox went with Lincoln National Life his place at North American was taken by E. S. Ashbrook, now the president.

Mr. Spear later was life manager for Fred S. James & Co., Chicago, and then for several years was general agent of Union Mutual Life.

Double Taxation Is Hit by Clarke

Double taxation of insurance companies and their policyholders represented by the fast growing trend of cities and towns, counties and parishes to impose special taxes in addition to the state premium taxes, was lambasted Wednesday by Dwight L. Clarke, president of the American Life Convention and of Occidental Life, in a talk at a luncheon of the Life Managers of Chicago. This is one of the inequitable and dangerous developments which, he said, all people in the business should be alert to detect at their inception and do everything they can to defeat.

Ignorance of life insurance and the great public service it performs was blamed by Mr. Clarke for such steps. He mentioned a city which considered doubling the tax on insurance on the basis that the tax on gambling establishments had been doubled and the councilmen concluded insurance properly was next in line. In another state the premiums increased 5% last year but taxation of insurance rose 832%.

Calls for Militancy

"Life insurance needs to be more vocal, more positive, more militant," he charged. "It is fundamental that once the state has licensed a company, the power is given to operate anywhere in the state." He referred to the municipal license taxes which have sprung up like a rash throughout the U. S., superimposed upon the state premium tax, and in effect denying a company right to operate in the given community under the state license until the local license fee is paid. In some jurisdictions the practice has been sustained as constitutional by state supreme courts.

There is danger, he said, in taxing the life insurance business itself in addition to its assets, and all life men should resist the practice of this double taxation which penalizes the policyholder who lives in the given community.

"The practice is immoral," Mr. Clarke went on, "to levy special tribute on the funds accumulated by thrifty persons for their loved ones. Each year, more and more small political units of the state governments are adopting such a practice." The premium formula, he emphasized, does not contemplate this double levy. No provision was made for it. It is an avoidable evil, and life men owe their policyholders the obligation to show legislators the direction they are taking.

Mr. Clarke sees danger, also, in opposing the spread of group insurance plans by various restrictions. He pointed out that during the other world war many life men thought government war risk insurance would be harmful to private life insurance, but instead it stimulated the sale. It was found that a man who had been exposed to any form of life insurance thereafter was a better prospect for a policy.

Non-N. Y. Companies Conn. Mutual to Lose Appeal on Abandoned Funds

NEW YORK—The appellate division of the New York supreme court has upheld unanimously the lower court's verdict from which the out-of-state companies had appealed in their suit in connection with New York's abandoned funds law as applied to unclaimed life insurance proceeds. The state controller had argued that the law applied to all policies issued in New York state.

The out-of-state companies contended that the location of the home office should determine the location or "situs" of the debt. Last October Judge Gavanian of the New York county supreme court held that the New York law was unconstitutional as to policies sold in New York for delivery elsewhere but that it applied to all policies issued on residents of New York state. This was little relief to the companies, as there are relatively few policies sold in New York on out-of-state residents.

One thing that the out-of-state companies feared was the application of conflicting laws by other states. For example, another state might pass a law under which all unclaimed funds held by a company domiciled in the state would escheat to the state after a specified time.

The question could have gone direct to the court of appeals on the constitutional issues involved but since there were also statutory questions which it was desired to have interpreted the appeal was taken to the appellate division. However, the latter merely affirmed the lower court verdict without opinion. It is expected that the companies will shortly decide on whether to take the case to the court of appeals, the state's highest court. Ganson J. Baldwin, New York City attorney, is handling the case for the companies.

Help Client Enjoy Policy, Mildred Stone Counsels

To help a client enjoy his life insurance, relieve his money pains, Mildred F. Stone, director of policyowner services Mutual Benefit, told the Women Life Underwriters of Chicago at a luncheon meeting Monday.

Get the client's imagination sparking, she counseled, and help him see the end results. Make him think you're a wonderful person, both because you are and because you make him feel he is.

Her subject was "Helping People Enjoy Their Life Insurance." The greatest pain most people have in connection with their life insurance is a financial one, she said, and agents must take steps to relieve money pains for their clients. People often say life insurance costs too much, but that is obvious nonsense. They don't know what it costs, nor how much is too much.

"What they mean is that they think the premiums take too much money that they can't spend on something else. A client really does not know what he is getting for that \$159.62 which he puts into a life insurance premium each year. A wise agent will help his client understand the financial side of his life insurance policy. When he pays his premium how much does his cash value for the year increase. The contrast of those two figures is enlightening for almost any policyowner."

Salary Increases in Neb.

LINCOLN, NEB.—The legislature has provided sizable salary increases for insurance department actuaries and examiners, and establishing qualifications. The act was introduced by Sen. C. Petrus Peterson, Lincoln.

Conn. Mutual to Put Up Medical Center Building

A medical office building containing suites of offices for approximately 90 doctors is to be erected by Connecticut Mutual as a commercial investment. It will be located just north of the new main building now being erected by Hartford Hospital.

The first floor will contain several shops, including a prescription druggist, florist shop, barber and other shops.

Connecticut Mutual previously announced its intention to erect an apartment house at Hartford.

Dr. Wilmar Allen, director of the hospital, listed many benefits to be derived from the propinquity of doctors' offices to the hospital.

Chicago Conference Program Complete

Program has been completed for the general agents and managers conference at the Congress, Chicago, April 25, as a feature of the annual meeting of the Illinois Assn. of Life Underwriters and annual congress April 26 of the Chicago association. Details were given at the luncheon Wednesday of the Life Managers of Chicago, which is sponsoring the managers conference, by J. F. Ramsey, Connecticut Mutual, program chairman.

Prepared in Three Sections

In a sense, all the speakers will criticize agency management, he said. This will be in three sections—producing agents, agency heads and company men.

First will be an agents' panel with three parts: Package selling, programming, and business insurance. August Helle of Prudential will take up package selling; Dave W. Fairfield, Northwestern Mutual, programming, and W. N. Hiller, Penn Mutual, Chicago association past president, business insurance.

Lee Wandling, Milwaukee manager of Equitable Society, will discuss management from the managers' viewpoint and Ben H. Williams, superintendent of agencies of Mutual Life's midwestern division, from the company standpoint. The conference will be held in the afternoon, with John M. Caffrey, John Hancock, the Life Managers president, in the chair.

Manhattan Life Records Impressive Gains in '46

Manhattan Life sales in 1946 totaled \$37,210,271, a gain of 44%. Assets rose from \$36,725,107 to \$40,945,826, increase 11.5%.

Insurance in force stood at \$176,399,-

690 increase \$28,087,666.

The mortgage portfolio was increased from \$9,165,336 to \$19,204,833.

Organic heart disease was again the principal cause of death payments, being responsible for 48% of the aggregate. Next in order were cerebral hemorrhage, 8.6%, and automobile accidents, 3.6%.

Few Non-Vested Plans Issued in Last 2 Years

Lawrence S. Morrison of L.I.A.M.A. sketched the various plans of agents compensation that have emerged in recent years at the meeting of Nebraska Life Managers Assn. He observed that most of the companies that introduced the system of non-vested renewals, did so prior to two years ago. This change has evoked considerable opposition from a number of influential agents, he declared, but he remarked it would be most unfortunate if everyone in the business were forced to think alike.



...AND JUSTLY SO
Because he knows his business! He understands the proper needs of his clients. He knows that HEALTH INSURANCE is PRIME insurance; that it is important to offer the best health policy available; coverage which provides for every possible expense or loss when sick or injured.
That man sells "AMERICAN PROGRESSIVE"

...IF YOU WANT

- To sell a COMPLETE HEALTH PROTECTION COVERAGE PROGRAM
- have HAPPY, GRATEFUL and SATISFIED CLIENTS
- to BENEFIT by the GOODWILL created from selling LIBERAL HEALTH INSURANCE

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Specialists Exclusively in
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For Individuals, Families or
Franchise or Groups
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including Life-time Accident and
Health Benefits
Scheduled or Lump-Sum Blanket
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LIFE AGENCY CHANGES

Bender Mutual Benefit Minneapolis Agency Head

Lewis E. Bender, formerly an agent for Mutual Benefit Life at Minneapolis, has returned to that company as general agent there. He succeeds Pat M. Ryan who transferred to California last December.

Mr. Bender started with Mutual Benefit in 1925 when he joined the office where his uncle, W. H. Evers, had been an agent for over 30 years. In 1937 he went to Northwestern National's home office and then to Acacia Mutual as manager. In 1945 he qualified for the Million Dollar Round Table.

Mr. Bender is a member of the village council of St. Louis Park.

Mr. Bender studied law at University of Minnesota.

Drake Oregon Manager of Equitable Society

Harold P. Drake has been named Oregon manager of Equitable Society at Portland. He succeeds T. Howard Groves, who resigned on account of ill health. Mr. Drake for a number of years has been assistant manager and formerly was district manager at Eugene, Ore.

Opens Life Department

The Tucker, Johnston & Smelzer brokerage firm of Pittsburgh has appointed Charles H. Woodhouse as manager of its newly created life, accident and group department. He is a graduate of University of Pittsburgh, and served three years with the army.

Men looking to the future like a connection with a growing company—where a handshake from the President isn't an unusual occurrence.

Why don't YOU write us?

Guardian Life Insurance Company
Madison 1, Wisconsin

Lynch Minneapolis General Agent of Conn. Mutual Life

Connecticut Mutual has appointed Frank J. Lynch at general agent at Minneapolis. He thus returns to the company which he represented as a successful agent for a five year period in the early '30's. For the past 11 years he has been general agent for Home Life at Minneapolis. He has been an insurance man since graduating at Holy Cross in 1923.

He is a past president of Life Managers Assn. of Minneapolis and is a director of Catholic Welfare Assn. He is a C. L. U.

North American Life Names Lynch Eastern Manager

Robert Lynch has been appointed manager of North American Life's eastern division to succeed Robert M. Feely, deceased, Charles Ashbrook, vice-president and director of agencies, announced at a gathering of the division.

Mr. Lynch joined the company at Newark in 1935 and, except while in service, has been continuously a member of the agency. Alvin Baer, who joined the Newark office in 1941, was named assistant manager.

The eastern division pledged Mr. Lynch \$900,000 of business during his first 90 days as manager.

North American Life has maintained an office in Newark since the company's inception in 1907. Mr. Schurr, one of the company founders, was the first manager there, continuing until his death in 1931. He was succeeded by Mr. Feely who served until his death last December.

Monarch Opens 2 Agencies Under New General Agents

Two new general agents in charge of two new agencies are announced by Monarch Life.

James H. Hawkins has been placed in charge of the Fort Wayne, Ind., agency and Clayton L. Walton in charge of the Seattle agency.

Mr. Hawkins joined Monarch last May. He has had previous life insurance experience. Before that he was sales manager for a company dealing in electrical appliances.

Mr. Walton first entered the insurance business as a claims adjuster and then claims examiner in Seattle. In 1942 he became associated with the Paul R. Green agency of Aetna Life as a producer. After returning from two years' military service, he was made supervisor of that agency.

He joined Monarch Jan. 1, this year and spent six weeks in the company school at Springfield, Mass., before assuming charge of the Seattle agency.

James K. Pace Memphis Reliance Life Manager

James K. Pace of Jackson, Miss., has been appointed manager of the Tri-State department of Reliance Life, including parts of Mississippi, Tennessee and Arkansas, with headquarters at Memphis. He was born at Pace, Miss., named after his family, in 1916, graduated from George Washington University and also attended University of

Mississippi. He served in the army. He was an agent for Northwestern Mutual at Washington for six years and is a C.L.U. A year ago he returned to Mississippi with Mutual Life.

Hal B. Cook of Chicago has been named agency supervisor of the Illinois department. He was educated at Indiana University. He was in the steel industry before joining Reliance in 1944.

Miller Retires; Peffer Erie Manager for Travelers

D. W. Miller, Jr., Travelers manager at Erie, has retired after 26 years of service, and John F. Peffer, assistant manager there has been promoted to manager.

Mr. Miller joined the companies in 1919 as a field assistant at Erie and two years later was named manager. Prior to his association with Travelers, he was a reporter on the Erie Dispatch-Herald.

Mr. Peffer was appointed a field assistant at Erie in 1937. He is a graduate of University of Alabama. He then attended Edinboro, Ala., State Teachers College and taught school for four years before joining Travelers. He was named assistant manager at Erie in 1942. He served in the navy and emerged as a lieutenant in the armed guard.

Bankers of Ia. Names Clark at Harrisburg

Lee Clark, who has been district agent at Charleston, W. Va., for Bankers Life of Des Moines, has been appointed manager at Harrisburg.



LEE CLARK

Mr. Clark has been with Bankers Life at Charleston since 1940 and has been district agent since 1942. He served as a field director for the Red Cross during the war. He has been a member of the President's Premier Club each year.

Mr. Clark is vice-president of Charles-ton Life Underwriters Assn.

Hotneier to Kalamazoo

C. C. Hotneier has been named assistant district manager of Prudential at Kalamazoo, replacing C. W. Risbridge, who is retiring after 29 years with the company. Mr. Hotneier has been with Prudential seven years. Mr. Risbridge served in the Lansing and Jackson offices before going to Kalamazoo about 20 years ago.

Berkshire Names Wright

Leoranzo S. Wright has been appointed general agent at Indianapolis for Berkshire Life. He joined Berkshire at Pittsburgh in 1943, and was appointed district agent at Indianapolis later the same year.

COMPANIES

Am. Nat'l Records Handsome Gains

American National in its new statement reports insurance in force of \$1,547,368,617, an increase of \$190,391,888. Gain in ordinary alone exceeded the total for the combined gain of ordinary and industrial for 1945. Premium income of \$41,173,033 was a gain of 14%.

Assets stand at \$198,168,665, increase \$23,087,435. Total income from all sources amounted to \$48,245,218, gain of \$6,930,302.

Benefit payments were \$9,027,299. Surplus to policyholders were increased to \$27,421,140.

January production, resulting from the campaign in honor of the birthday anniversary of President W. L. Moody, Jr., totaled \$40,904,217 of which \$26,904,217 was ordinary. This eclipsed by nearly \$3 million the figure for the same month of 1946.

Bankers L. & C. Examined

Bankers Life & Casualty of Chicago at Aug. 31, 1946, had surplus to policyholders of \$1,100,008, according to the report of a convention examination conducted by Florida and Illinois.

Bankers L. & C. was examined as of Dec. 31, 1945, by the Illinois department, but following the merger with Northern Mutual Casualty of Chicago, a convention examination was called.

The merger agreement is recited in its entirety in the report. In taking over the assets and liabilities of Northern Mutual, Bankers L. & C. recognized the policyholders of Northern Mutual to be the owners of that company and compensated them for their equity by increasing all policies 50% without addi-

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7 "Specials"
ALL REGULAR FORMS
plus

JUVENILE

TERM RIDER TO 65
MONTHLY REDUCING TERM

NO-CLAIM BONUS (ACCIDENT)

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The
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IN THE CITY OF NEW YORK

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tional premium and providing for refund to dissenting policyholders.

Under the summary, the examiner reports:

1. "The cash position is well maintained and the investment portfolio is composed of diversified and marketable securities."

2. "From a review of the company's file and records pertaining to claims incurred during the period of examination, it is determined the claims are paid promptly and in accordance with the policy provisions."

3. "The statement of assets and liabilities prepared as of Aug. 31, 1946, from the books and records of the company on the basis of asset and reserve values . . . reflects a sound financial condition with a capital and surplus of \$1,100,000 affording additional protection to the interest of the policyholders."

The 1946 annual statement shows income for 1946, \$3,280,669; assets, \$3,320,801; capital \$300,000, and unassigned funds \$891,048.

OK Petrie Company Name

The California department has approved the name Citizens Life & Casualty for a new company to be organized in Los Angeles by Victor L. Petrie, founder and former president of Constitution Life.

Stock in the holding company which will own the proposed new company now is being sold.

American H. & L. Promotions

American Hospital & Life has elected W. W. Jackson administrative vice-president and a director; John D. Wheeler of Boyle, Wheeler & Gresham, attorneys, general counsel, vice-president and director; W. C. Murphy, secretary-treasurer; H. Raymond Strong, actuary, and E. O. Severin, chief underwriter.

Business Men's Assurance Cancels War Risk Rider

Business Men's Assurance has canceled completely its war risk supplement on life insurance policies and has extended through 1947 its special aviation protection on accident insurance contracts.

The company previously had dropped the war risk supplement except in the case of policies in force on men in the service.

The special aviation protection, first inaugurated in August 1945, provides benefits for any loss resulting from injuries received while traveling anywhere in the world as a passenger in an aircraft operated by a passenger air line on a regularly scheduled trip, or within the boundaries of the mainland of North America as a passenger in a powered civil aircraft of the United States or Canada registry and operated by a licensed or certified pilot.

Oklahoma Fees Increase

Insurance taxes and fees collected by the Oklahoma department increased about \$520,000, according to J. F. Gibson, assistant commissioner. Collections are \$3,119,991 compared to \$2,600,101, last year.

More Pa. Department Funds

HARRISBURG, PA.—Governor Duff has asked the legislature to appropriate an additional \$100,000 a year to the insurance department for the next two years.

The proposed two-year total is \$930,000, compared with \$730,000 for 1945-47, which includes \$60,000 in a deficiency appropriation.

Seeks to Change Name

Rural Bankers Legion Life of South Bend, Ind., has filed a petition in circuit court to change its name to the Rural Bankers Insurance Co. The directors had voted unanimously in favor of the change.

AMONG COMPANY MEN

R. I. JACOBSON NAMED

N. W. Nat'l Adds to Actuarial Staff; Promotes Tallman

Reuben Ingvald Jacobson has been named associate actuary of Northwestern National Life. Richard H. Tallman has been promoted to the same position.

Mr. Jacobson will conduct premium rate research and related matters while Mr. Tallman will be primarily concerned with general supervision of the actuarial department.

Mr. Jacobson is a graduate of Luther College, Decorah, Ia. He taught mathematics at University of Pittsburgh, 1930-32, and studied actuarial science at University of Iowa, 1932-33, then joined the actuarial department of Prudential until 1942 when he became assistant actuary of Colonial Life. He was promoted to associate actuary in 1943, and actuary a year ago. He is a fellow of Actuarial Society and of American Institute of Actuaries.

Mr. Tallman has been with Northwestern National since 1941 and assistant actuary since 1944. A graduate of the University of Saskatchewan, he was associated with the Canadian insurance department from 1934 until 1941. He is an associate of Actuarial Society and of American Institute.

Reserve Loan Makes Promotions

Robert Schulman, vice-president and director of agencies, and Dr. David W. Carter, Jr., medical director, have been elected to the board of Reserve Loan Life.

Paul D. Lindsey was elected executive vice-president, Robert B. Caplinger, vice-president and chief underwriter, Louise Timmerman, assistant to the president, Herman Van Maanen, assistant secretary and mortgage loan manager, and Robert O'Haver, assistant secretary and claim manager.

Mr. Lindsey, a graduate of S.M.U. law school, was formerly associated with Attorney General Tom C. Clark at Dallas and joined Reserve Loan in 1945 as assistant to the president after four years of military service.

Mr. Caplinger has been with the company 27 years. He is executive vice-president of Institute of Home Office Underwriters and is vice-president of Texas Assn. of Home Office Underwriters.

Miss Timmerman, with the company since 1932, has been assistant secretary and manager of the mortgage loan department since 1945.

Mr. Van Maanen joined the company in 1945 after 18 months of military service. He was executive secretary of Dallas Real Estate Board from 1935 to 1937.

Mr. O'Haver, a veteran of three years and an employee since 1926 returned to the company in 1945. Since 1946 he has been manager of the claim department.

L. K. Friedman Now Great Southern Associate Actuary

L. K. Friedman, who has been associated with Great Southern Life in the

actuarial department 16 years, has been appointed associate actuary. He graduated from Rice Institute in 1928, with honors in mathematics and economics. He received his master's degree in actuarial mathematics from University of Michigan in 1929. He is a fellow of Actuarial Society and American Institute. Since 1938 he has been assistant actuary of Great Southern.

Vogler Am. National Executive V.-P.; 4 Others Promoted

Five head office executive promotions are announced by American National.

W. L. Vogler, formerly vice-president, becomes executive vice-president and a member of the executive committee; R. A. Furbush, director of industrial agency vice-president; W. J. Hampton, head of the underwriting department, was advanced to assistant vice-president; F. E. Fischer, manager of renewal

department, to assistant vice-president; and D. J. Martino, assistant superintendent, was advanced to superintendent of ordinary agencies.

Two newly created positions were filled by new appointments; these being R. E. Bowden, director of ordinary agencies for western division and W. V. Woollen, director of ordinary agencies for central division.

Jack E. Rawles Now Reliance Life Director of Training

Jack E. Rawles, formerly assistant manager of the Illinois department of Reliance Life at Chicago, has been appointed director of training in charge of the national agents training program.

He will make his headquarters in the home office and will have the help of Bill Dowd, who was transferred from Washington as cashier the first of this year to assist in the training section of the agency department.

Mr. Rawles attended Purdue and graduated at Northwestern University school of commerce in 1932. He started with Reliance that year and was appointed district manager in 1938 and two years later was named agency instructor in charge of training recruits in



"Peace of Mind"

Never in history has society faced a time more favorable for the economic rise of the individual, nor a time designed to furnish more vivid reasons for living as today in the United States. An eternal pushing forward, so characteristic of the American people, is being made in search of economic peace of mind. Prospects found among men and women over 40, are those who view their future with hopes for retirement.

The Ohio National Life Insurance Company's Plans help solve these modern puzzles. In a time, such as now, of prevailing low interest rates, insurance, as always, is the answer to economic uncertainty.

It is only when problems of future income are completely solved, that economic peace of mind is assured. This is the underlying purpose behind Life Insurance, and The Ohio National Life assures such peace of mind through its several Retirement programs.

Opening for General Agent in Dallas and in Houston, Texas

THE OHIO NATIONAL LIFE INSURANCE COMPANY
CINCINNATI, OHIO

T. W. APPLEBY, PRESIDENT

**THE OHIO NATIONAL
LIFE INSURANCE COMPANY**



CINCINNATI, OHIO

Illinois. Last August he was promoted to assistant manager.

Mr. Rawles became a C.L.U. in 1940. He received an award in 1940 from Chi-

cago Assn. of Life Underwriters for the most effective presentation of motivating stories as a result of a contest that had wide participation.

man fulfill his obligation to himself, his family, and his community". A lively question and answer period followed.

C. H. Morris, attorney, a charter member of the Wichita association, pointed out the opportunities for public relations work by the association as well as all individuals in the business.

Debate on Socialized Medicine

A debate on socialized medicine by debate teams from Wichita high schools opened the afternoon program, the four male debaters developing many interesting arguments. Merton Rymph, son of Levi B. Nymph, Columbian National general agent, was one of the debaters.

Developing employee relations through group insurance was discussed by Gordon F. Houser, personnel officer of Beech Aircraft, Wichita, who traced the development of the group plan of that organization.

John A. Miller, Columbian National, past president of the Kansas City association, closed the program with his sales demonstration on "Simplified Selling," filled with sales aids for attracting interest, overcoming objections and effecting a successful close.

	Net Prems.	Paid Losses
U. S. Cas.	65	11,952
U. S. F. & G.	45,275	293,803
U. S. Guar.	12,342	25,206
Utica Mut.	—	6,664
Western N. Ind.	—	57,490
Zurich	—	15,220
Total	478,355	268,687
1945	\$50,937,051	\$23,901,965
	\$44,621,035	\$23,381,474

Hotel-Union Deal Ruled Illegal in Pennsylvania

HARRISBURG—Union group insurance, when operated on a system where employers pay a flat fee to the unions for premium expenses, has been declared illegal by Commissioner Malone.

Mr. Malone said the employers—Pittsburgh hotels—were paying the A. F. L. Hotel & Restaurant Employes Alliance 4% of their payroll for insurance premiums which cost the union only 2.7% of the payroll.

In a letter to John Hancock Mutual Life, which wrote the insurance, Mr. Malone said:

"After careful consideration of all the facts and the applicable law, I have come to the conclusion that the contract of insurance as written does not meet the requirements of the laws of this commonwealth.

"Therefore, its insurance cannot be approved by the insurance department."

Insurance department spokesmen said the move voids the insurance—accident and health—now in effect on the union contract, and that other arrangements, satisfactory to the department, will have to be made if the union workers desire coverage.

The union reportedly has completed negotiations with Pittsburgh restaurant operators to take over the group insurance administration for restaurant workers from the employers on a similar basis. Mr. Malone indicated this arrangement, likewise, would not be approved by the department.

John Kenny, president of local 237

N. Y. State A. & H. Business Reported

Accident and health premiums and losses in New York state in 1946 are shown herewith:

	Net Prems.	Paid Losses
Acc. & Cas.	\$ 18,966	\$ 4,681
Aetna Cas.	20,487	3,640
Aetna Life	3,481,829	1,842,753
Allstate	40	—
Amaig. Life	1,755,815	1,229,105
Amer. Auto.	58	45
Amer. Cas.	12,769	791
Amer. Employ.	45,046	14,884
Amer. Guar. & Liab.	894	134
Amer. Motorists	94,941	25,788
Amer. Mu. Liab.	287,588	174,680
Am. Policyholders	44,426	45,883
Amer. Prog. Health	8,343	105
Amer. Reins.	28,992	4,777
Amer. Surety	1,717	—
Bankers Ind.	15,999	3,203
Bankers Life, Ia.	62,126	43,258
Benefit Assn. of Ry Emp.	375,997	245,358
Boston Cas.	334	114
Car & General	25	71
Central Sur.	1,994	589
Century Ind.	96,473	49,879
Columbia Cas.	4,829	6,431
Comm. Cas.	1,146,918	550,080
Conn. Tr. M. A.	1,917,377	1,275,486
Continental Cas.	2,505,634	1,473,017
Eagle Ind.	35,609	30,137
Employers Liab.	138,080	56,174
Emp. Mut. Liab.	99,806	20,261
Eur. Genl. Reins.	74,887	14,949
Excess	599,113	152,020
Farm. Bur. M. A.	241	—
Federal L. & C.	78,983	27,215
Firemens Fd. Ind.	474,491	154,057
F. & C.	149,289	48,152
General Reins.	448,679	155,188
Globo Ind.	302,744	55,044
Globe Ind.	125,116	38,919
Grt. Amer. Ind.	281,000	151,401
Hardw. Mut. Cas.	80,384	21,636
Hartford A. & L.	2,158	504
Home Indem.	14,337	3,462
Indem. N. A.	336,802	132,616
John Hancock	1,371,700	797,174
Liberty Mut.	142,565	111,742
London Guar.	—	30,266
Lon. & Lan. Ind.	9,143	9,143
Loyal Prot. Life	93,645	28,982
Lumb. M. C. Ill.	148,824	49,704
Mfra. Cas.	202,013	60,686
Maryland Cas.	29,288	15,809
Mass. Bonding	181,865	50,178
Mass. Indem.	277,986	135,961
Mass. Prot.	456,725	141,687
Merchants Ind.	705,494	304,457
Merch. Mut. Cas.	166	—
Mass. Prot. Asso.	70,235	20,799
Metropolitan Cas.	708,194	304,457
Metropolitan Life	545,305	216,930
Monarch Life	8,369,554	4,427,433
Mut. Ben. H. & A.	887,875	388,048
Nat'l. Cas.	5,341,354	1,270,845
New Amst. Cas.	1,460,456	674,496
N. Y. Cas.	136,385	34,649
N. Am. Acc.	365	—
N. A. C. & S. Re.	1,153,396	408,202
Norwich Un. Ind.	87,597	21,163
Ocean Acc.	3,944	711
Paul Revere Life.	35,800	45,497
Peerless Cas.	583,206	239,769
Phoenix Indem.	38,347	32,060
Prot. Indem.	—	40,557
Prudential	14,734	11,145
Royal Indem.	2,503,749	1,320,336
St. Paul-Merc.	160,183	83,320
Security Mut. Cas.	11,599	2,097
Sec. Mut. N. Y.	1,584	1
Stand. Acc.	188,358	56,333
Stand. Sur. & Cas.	132,748	39,208
Sun Indemnity	50,505	10,898
Travelers	103,744	42,878
Union Cas.	4,645,556	2,328,900
Union Lab. Life	137,807	64,106
United Benefit Life	174,060	54,486
	557,352	161,898

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- ★ Renewals As Long As Business Is In Force
- ★ Commissions—Plus Cash Allowances
- ★ Agency Advertising and Development Fund
- ★ Home Office Co-operation in Training Field Men

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REAL OPPORTUNITIES

for men who are looking for a chance to develop their own agencies. Territories open in MISSOURI, KANSAS, IOWA and NEBRASKA.

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O. R. Jackson, Vice-President

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Ray E. Button, Reinsurance Director

of the union, conferred with Mr. Malone before the union's insurance scheme was scrapped. At that time, the commissioner said Mr. Kenny told him, "If this contract is broken . . . there will be chaos." Later Kenny explained he did not imply a strike threat.

List Notable Speakers for St. Louis Congress

The regional sales congress at St. Louis, April 24, sponsored by the National Assn. of Accident & Health Underwriters and conducted by the Accident & Health Underwriters of St. Louis, will be an afternoon and evening affair.

Afternoon speakers will include Gilbert H. Knight, Federal Life & Casualty, Cleveland, first vice-president of the National association, "You Too Can Sell Insurance—If"; Raymond F. Killion, accident and health division Metropolitan Life, New York, "Public Law 15 and Its Relation to Accident and Health Insurance"; R. B. Smith, Great Northern Life, Oklahoma City, president National association, "The National Association and What It Means to You," and George J. Richards, Monarch Life, Hartford, member national executive board, "Selling the Larger Buyer".

The evening speaker will be S. E. McCreless, president American Hospital & Life, San Antonio.

Hits Blue Cross 'Monopoly'

The Detroit A. & H. Assn. is circulating a statement from its hospital insurance committee headed "The End of Blue Cross Monopoly Is Near." The statement is in the interest of getting the hospitals to collect their "justified current regular established rates from every patient."

Reference is made to a resolution which was adopted last Dec. 13 by Greater Detroit Hospital Council recommending that every effort be made to put into effect by July 1 an arrangement whereunder the all-inclusive hospital service now provided for in Blue Cross subscriber contracts shall be paid for at each hospital's going rate or the Blue Cross sell a limited contract and the hospital collect the difference from the patient.

According to the statement "the Michigan Hospital Service Blue Cross plan has developed an arrogant leadership which loses no opportunity to attempt to stifle sound and constructive recommendations made by the representatives of institutions which are making valiant attempts to extricate themselves from a notoriously unjust, confusing, and discriminatory secret contract."

Slate Wiley at Seattle

Fred B. Wiley, Occidental Life, has been nominated for president of the Seattle Accident & Health Managers Club, the election and annual banquet being scheduled for March 21. C. R. Cleaver, United Pacific, is nominated for vice-president; Clayton Walton, Monarch Life, secretary.

A. & H. Men Organize in N. M.

First steps toward organization of a New Mexico Assn. of Accident & Health Underwriters were taken at a meeting at Albuquerque attended by R. B. Smith, Great Northern Life, Oklahoma City, National association president, and E. F. Gregory, Business Men's Assurance, Denver, second vice-president. Temporary officers were named and plans made for a charter meeting and election of permanent officers.

Make \$3,150,000 Loan

A 15-year mortgage loan of \$3,150,000 has been placed on Westchester Apartments, Washington, by Mutual Benefit Life.

MANAGERS

Los Angeles Managers Hear VA Official

LOS ANGELES — Maj. Louis C. Wolf, regional insurance officer of veterans administration, addressed the Life Insurance Managers Assn. on "Recent Developments in the Handling of National Service Life Insurance." It was announced that Bert A. Hedges of Kansas City, active in the life managers section of the N.A.L.U., would be here soon to speak before the association.

A. C. Krauel and Jens Smith, general agents of Pacific Mutual, were elected members.

Reviews Cal. Disability Act

T. McManus, assistant group supervisor of Occidental Life, addressed the Life Agency Cashiers Assn. of Los Angeles on the California unemployment disability benefit act and told how private industry and insurance companies are meeting the requirements set up by the legislature.

Mrs. Eva Nettleton, cashier in the Walter G. Gastil agency of Connecticut General Life Co., who has just returned from an intensive course at the home office, outlined the company's plans for decentralization of the group department.

Discuss Agency Bulletin

Robert G. Engle, assistant manager of Equitable Society in Seattle, Monday addressed the life Managers Assn. there in a round table on agency bulletins. Makeup and contents were discussed, how often to issue a bulletin and to whom it should be sent besides agents.

Mahoney Charleston Chief

Robert C. Mahoney, manager of Mutual Life at Charleston, W. Va., has been elected president of the General Agents & Managers Assn.

Frederick W. Floyd, Jr., executive secretary of American Society of CLU, gave a talk on public relations at the meeting of Life Insurance Cashiers Assn. of Philadelphia.

FINANCIAL SIDE

Life Company Pa. Housing Investment Law Opposed

HARRISBURG — Real estate interests expressed severe opposition to pending legislation which would permit Pennsylvania life companies to invest in housing.

At a joint senate-house insurance committee hearing on the Wade (senate) bills to authorize life company investment in housing, the realtors viewed the legislation as a wedge to widen the field of insurance fund investments.

Samuel Gordson, attorney representing the Philadelphia Apartment Owners & Managers Assn., told the committee his clients "cannot compete with insurance companies. It's up to you to see that our investments are protected. They (the insurance companies) would be permitted, as time goes on, to operate stores and other retail businesses," he said.

Wis. Investment Law Liberalization Is Proposed

Investment law liberalization legislation in Wisconsin, which is department sponsored, seems assured of enactment. No opposition was expressed at the hearing on it.

At the last session a 5% catchall bill was passed, permitting insurers to invest up to 5% of assets in otherwise unauthorized securities. The new bill provides that additionally 5% of assets may

be placed in preferred stocks. Also up to 10% of assets may be invested in industrial debentures whereas for the past few years there has been a 5% ceiling on this class.

ASSOCIATIONS

Bowles Speaks at Roanoke on Regulation Issues

ROANOKE, VA.—Need for further state insurance regulations was stressed by Commissioner Bowles at a joint meeting of the Roanoke Assn. of Life Underwriters and Roanoke Assn. of Insurance Agents. He was introduced by Paul C. Buford, president Shenandoah Life, Roanoke, who gave a resume of state and national regulations governing insurance.

Bowles discussed the insurance-commerce decision and the significance of P.L. 15. He pointed out that many cooperative practices, including rate-making agreements, which had been built up by various insurance companies through sanction of specific state laws or by common consent, were outlawed.

"To preserve state supervision and avoid the disastrous effects of cut-throat competition and federal regulation," he said, "it is necessary to determine exactly what is meant by the words 'regulated by state law, and to secure state legislation which will satisfy the requirements of the Congress and Supreme Court. The problem must be solved if state regulation of insurance is to continue."

The legislatures of 44 states will meet this year and will have the last opportunity for state legislation before expiration Jan. 1, 1948, of the moratorium under P.L. 15. Nine states enacted casualty and surety rating laws in 1945 and, prior to that time four states, including Virginia, already had comprehensive casualty, surety rating laws and, in some cases, fire rating laws, he said.

Wisconsin Group to Meet in Sheboygan June 12-13

MILWAUKEE — The Wisconsin Assn. of Life Underwriters will hold its annual meeting at Hotel Foeste, Sheboygan, June 12-13, it was decided at the quarterly meeting of directors here. A sales congress will be held in con-

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PEACEMAKERS... PACEMAKERS



F IDELITY'S ex-servicemen are setting a fast pace in the production of new Life Insurance. In 1946 they accounted for more than 20% of the Company's total sales and in so doing achieved a remarkably high individual production.

Fidelity's interest extends to all ex-servicemen and again we urge the retention of their National Service Life Insurance.

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nection with the annual business meeting.

Selection of committees was made.

R. E. Imig, Sheboygan, state president; W. H. Pryor, Milwaukee, vice-president; F. J. Voight, Madison, second vice-president; Harold Pettengill, Beloit, secretary, and Bissell Bradley, Wausau, treasurer, reported on activities. A resolution was adopted on the death of M. J. Cleary, president Northwestern Mutual Life and another on the death of Gov. Goodland.

San Antonio—Albert Schmid, Corpus Christi, manager of National Life & Accident, spoke on "Simple Selling in 1947."

He considers salaried people the best prospects, citing the fact that more than 50% of life insurance is owned by men with incomes of less than \$3,000 per year and over 85% by those earning not more than \$5,000 per year.

He employs visual selling because of the motivating power of pictures. He favors the two-call plan of selling unless he finds that it is a waste of time to make a second call. In case he finds a second call inadvisable, he tries to close on his first call.

San Francisco—A seminar on business life insurance will be held March 29, conducted by Thomas A. Gallagher, Prudential Approach, presentation, problems in sole proprietorship, partnerships and cor-

porations will be discussed. R. F. E. Wiedemann, Equitable Society, program chairman, said if the seminar is a success others will follow on other subjects.

Portland, Me.—Robert Pitcher, Boston general agent of John Hancock, addressed a luncheon meeting of the Southern Maine association.

Davenport—Roger Bourland, vice-president of Rough Notes Co., spoke on "The Swing to Life Insurance."

Charles E. Cleeton, general agent for Occidental Life at Los Angeles, was guest speaker Tuesday.

Cedar Rapids, Ia.—Charles E. Cleeton, Occidental Life, Los Angeles, N.A.L.U. trustee, reported on the mid-year meeting at Milwaukee.

St. Louis—Ken Wyard, agency supervisor at Akron, O., for the Ralph W. Hoyer agency of John Hancock Mutual Life, spoke Thursday on "Some Sales Talk Planning."

Joliet, Ill.—Paul M. Uebel, special agent of the Jamison & Phelps agency of Northwestern Mutual in Chicago, spoke on "A Good Soliciting Document," the talk he gave recently in the Saturday sales forum of the Chicago association.

Denver—Arthur S. Potwin, Connecticut Mutual, Portland, Ore., spoke on "The Economics of Business Life Insurance." Max Caldwell, Connecticut Mutual, presided.

Topeka—At a breakfast meeting, Richard L. Becker, state representative from Coffeyville, spoke on "Legislative Problems." Five new members were introduced.

Pittsburgh—Charles R. Gies, territorial supervisor of Penn Mutual Life, is addressing a meeting of the Beaver Falls branch Monday on "Hitting Pay Dirt."

Hartford—An advanced underwriting seminar will be conducted March 29 at the Connecticut Mutual Life's girls club room. George J. Richards, general agent Monarch Life, will lecture on "Partnerships."

Salt Lake City—Leo R. Porter, general agent Columbian National, spoke on "Successful Selling." The requirement, to become a successful life insurance salesman, he said, are knowhow, skill and motivation. Speaker April 11 will be Bert A. Hedges, Wichita manager Business Men's Assurance. Mr. Hedges will address a dinner meeting of the Utah Life Managers Assn. the same night.

Galesburg, Ill.—Dr. Lyle W. Willhite, head of the department of economics and business administration, Knox College, spoke on economic problems and their effect on life insurance. He is a member of the American Arbitration Assn. and of its fact-finding board. Dr. Willhite explained how varying price levels affect the continuation of premium payments.

Elmira, N. Y.—Ernest H. Perkins, Albany, president New York State association, spoke at a luncheon meeting.

Buffalo—George J. Marsh, director of sales methods research of New York Life, spoke March 14.

Lincoln, Neb.—Charles E. Cleeton, Occidental Life, Los Angeles, N.A.L.U. trustee, spoke March 19. He reviewed the mid-year meeting at Milwaukee.

Evanston, Ind.—A forum on business problems was led by a group of four new agents at the monthly meeting at the Vendome hotel. C. R. Million, Northwestern Mutual; Jack Taylor, John Hancock; Clyde Cassell, National; and Byron Somos, Connecticut Mutual, were speakers.

RECORDS

RESERVE LIFE, DALLAS—Life insurance in force increased 73.4%, substantial gains in accident and health and hospitalization departments were made in 1946. Premium income is more than \$1,000,000 a year. The company now operates in Texas and 14 other states and District of Columbia.

NATIONAL, VT.—New paid-for business increased in February for the 48th consecutive month. The total was \$10,294,954, increase \$1,615,699 over February, 1946. New paid life insurance for the first two months was about \$20 million, increase 28% over the first two months of 1946. Gain in insurance-in-force for February was \$7,913,763, and total in force \$843,095,478.

BANKERS LIFE OF IOWA—Insurance paid for during February exceeded \$10,925,000, of which more than \$10 million was ordinary. This was an increase of more than \$1½ million in ordinary. Total ordinary and group written in the first two months amounts to more than \$22 million, an increase over the same

period last year of almost \$7½ million.

Insurance in force at the end of February stood at \$1 billion, 162 million, an increase for the year to date of \$14,241,000.

NORTHWESTERN MUTUAL—Paid-for business in February totaled \$51,932,000, increase 69% over the same month in 1946 and the 24th consecutive month of gains over the previous year. Although 1946 showed 47% increase, the first two months of 1947 are ahead of last year by 94%.

PACIFIC MUTUAL—New paid life business in 1946 was \$116,904,774; total insurance in force \$785,928,753, gain \$67,011,740; total paid policyholders and beneficiaries in 1946 was \$20,769,106. Group business gained 70% in force in 1946.

OCCIDENTAL LIFE—Has had substantial percentage increases in nearly all phases of business in January and February over the same two months last year. In January, group total was \$33,154,168 written and written ordinary \$22,474,227, the latter an increase of 35% over January, 1946. Delivered ordinary was \$18,778,112, 27.8% increase. In February, written ordinary was \$21,889,794, 31% increase over February, 1946, and paid ordinary \$19,036,324.

Accident and sickness paid premiums in January were \$221,574, gain 55% over the same month in 1946.

California-Western States Passes \$400 Million

California-Western States Life now has insurance in force of more than \$400 millions. At the end of 1946 the figure was \$393,000,000.

The volume of new business sold in 1946 was 135% of the 1945 record. The last \$100 million of insurance in force has been placed in the last 23 months.

Of the 5,249 voluntary plans of disability insurance to cover the requirements of California's U.C.D. act, California-Western States wrote 1,980.

Mass. Mutual Completes 14th Review School

With 17 agents attending, Massachusetts Mutual has completed the 14th five-day home office review school.

Lambert M. Huppeler, superintendent of agencies; Hampton H. Irwin, educational director; Robert J. Ardisson, Douglas N. Ellis and John P. Veith, agency assistants, and Charles E. Dowton conducted sales clinics.

Chester O. Fischer, vice-president, was speaker at the dinner and when diplomas were awarded. Others on the program were Michael Marchese, assistant secretary; Dr. Howard B. Brown, associate medical director; James L. Marchese and Francis E. Emery, assistant secretaries; Homer N. Chapin, second vice-president; Thomas J. Connell, group department manager, and Seneca M. Gamble, advertising manager.

Simon Agency 92% Ahead

New business volume of the Mahlon B. Simon agency of Continental American Life in Philadelphia is 92% ahead of 1946 for the first two months of 1947. Premium income exceeds the same period by 145%. J. R. Crawford leads the company's entire field force in premium income for the year to date.

C.L.U. Forum Features

Stanley High, author, lecturer and roving editor of "Reader's Digest," will be moderator of the forum on economic and social trends, April 18 under the auspices of the New York C.L.U.

Dr. Herrell DeGraff, associate professor of land economics at Cornell University, and Walter W. Cenerazzo, president of American Watch Workers' Union, will be among the speakers.

Mr. High will act as moderator throughout the day and sum up the day's discussions at the end.

Dr. DeGraff will speak on "Land".

Mr. Cenerazzo will speak on "Full Production or Planned Economy." He is a printer and labor organizer.

The Topeka agency of Security Mutual Life of Nebraska with C. F. Darnold in charge has organized a study club with R. W. Muxlow, president; Don Dever, vice-president, and Lola Barger, secretary.

PROOF O' THE PUDDING



"The Q-V-S Contract helps an Agency Manager recruit and hold men who concentrate on higher volume and persistency—because the contract pays the Field Underwriter greater cash returns for quality business. This builds a solid foundation for continued prosperity for Agency Manager and Field Underwriter alike."

FRANK H. DEVITT,
Agency Manager, Denver, Colorado

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V... volume
S... service**

THE CAPITOL LIFE INSURANCE CO.

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Exceptional Agency Opportunity
VERY ATTRACTIVE CONTRACTS

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Excellent Line of Juvenile Policies
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All-Stars Inject Sales Vitamins Into GI Crowd

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for the agent to know how to sell his company. Big producers learn to recognize what is lacking when a case is not written and how to go about submitting the missing pieces of insurability to make their sales when a case gets into difficulty, he said.

Field selection is becoming more and more potent. Much of the form of risk selection is not within the home office scope. In this connection, Mr. Imig advised giving the company full facts. In difficult cases the company may be satisfied if the agent files an analysis with the home office.

Mr. Imig said that only one application in 10 or 15 is declined, and that the ratio would be less if agents would be more constructively service-



T. H. TOMLINSON

able to the needs of home office underwriting departments. The home office has no alternative. It is influenced not only by additional underwriting information but by the general reliance it has come to place upon the agent. If an agent is known to display a lack of understanding in the face of disappointment, to act emotionally in registering his dissatisfaction when a case is rejected or if he advances unrelated or untrue data to induce a change in the appraisal of the risk, he impairs his chances.

Education Boosts Earnings

Though as the final morning speaker he was pressed for time, Martin Scott, Million Dollar Round Table member, prominent in C.L.U. activities and head of a pension firm in Los Angeles, delivered some pregnant observations on the place of education in the agent's life.

The most powerful reason for constant seeking of education is that through it the agent can increase his earnings many times, Mr. Scott said. Far from being the impractical course of study, the C.L.U. movement has demonstrated that it equips the life agent with much greater earning ability.

Mr. Scott said the agent has the responsibility to offer the full benefits of life insurance through his own knowledge. He stressed that the individual agent should sell the institution of life insurance rather than his particular company. He said that the agent who has been merely skimming the surface with superficial selling should go deeper and by gradual stages become familiar with estate programming and pension writing to his and his clients' benefit. Mr. Scott said that he was not particularly concerned with having life insurance selling recognized as a true profession. He said he would rather have it remain a quasi-profession for having it such enables the agent to be less formidable and more personal and inspirational in his approach.

Luncheon speaker was Grant Hill, vice-president and director of agencies Northwestern Mutual, who aimed his remarks squarely at the many war veterans and other newcomers present. Mr. Hill warned that these are unusual times and that many a GI salesman who appears to have made a fine record in his first year, has merely "skinned the cream" and has not really learned the fundamentals of prospecting and selling. In these times, he said, a man can be successful who operates very loosely and many a man who is now selling \$500,000 a year in poor times would be fortunate to hit \$150,000.

Workers Stay on Top

Mr. Hill said that the man who will do really efficient work now is the man who will still be on top when the market contracts. He told of the many salesmen who cleaned up the easy business prior to 1929 and during the depression were busted out. Others, he said, working industriously and intelligently, remained prosperous fixtures in the business even during the worst years of the depression.

Mr. Hill advised the agent to take stock of himself to see that he is investing enough time and money in his business. Each man can afford to invest certain amount in mail pieces to keep himself before his prospects and clients. He advised his hearers to catch hold of the concept of the even flow of business, saying that prospects should flow in each day and be disqualified or move up the list to the point where they are sold. This is not a new idea, but is virtually unplumbed except in the cases of some outstanding producers, he said.

He advised his hearers not to be frightened by the ghosts that are conjured up by some pending switches over to the C.S.O. 2½% basis. The only time questions arise in the prospect's mind is when the agent brings it up. He said that Northwestern Mutual has had no trouble selling under the new basis.

AFTERNOON TALKS

Piloting the afternoon session was Gordon D. Adams, president Wisconsin Life, who enlivened the proceedings with humor and a gracious speaking manner.

He introduced G. A. L'Estrange, vice-president and agency director Wisconsin National, who said that increased cooperation has been noticeable everywhere between field and home office. Long ago, he said, properly run home offices realized the need for being agency-minded and likewise intelligent field men saw to it that they were home office minded. There has been too great a differential between the two segments which is foolish because both are trying to do the same job, he said. Cooperation and humanity are absolutely essential.

He advised his hearers not to tear down their own companies, because doing such injures the institution of life insurance. The colorful Philip B. Hobbs, N.A.L.U. president, characterized the 1947 mid-year meeting as the greatest ever held and expressed amazement and gratitude that the local people were able to do such a magnificent job on short notice.

He said that such sales congresses were vital in helping the agent to study the increasingly complicated financial matters for which his profession calls. As in the case of the doctor, the life agent must keep up with the latest developments and must teach himself to be a specialist instead of calling on a specialist whenever an advanced case arises.

The insurance industry has the greatest trade press of any industry, Mr. Hobbs declared. He termed it essential for each man to read one of the insurance journals and for each company and individual to do as much as possible to insure continuation of the excellent press service.

The life agent is working in the middle band of the citizenry, Mr. Hobbs said, and anything that impinges this activity is the concern of N.A.L.U. He summed up association accomplishments in the matter of qualifications and group standards, saying that the N.A.L.U. stands on the principle that group insurance serves its purpose best where there is an employer-employee relationship. He told of the efforts to defeat the savings bank life bill now before the New York legislature to allow mutual savings banks to write \$5,000 instead of

the \$3,000 now permissible. He scored the savings bank advertisements as being idiotic as an advertisement for a medicine which trades upon the fact that no doctor will "bother" the patient.

Mr. Hobbs reiterated the N.A.L.U. stand against extension of NSLI to peacetime, terming this a straight invasion of private enterprise.

The N.A.L.U. leader said that the dynamic qualities of the American economy are swinging the picture back to normal with the price level down, goods more plentiful, and improved relations between management and labor. He

(CONTINUED ON PAGE 25)

A THREE-FOLD RESPONSIBILITY

Today's career life underwriters are faced with a three-fold responsibility.

1. To bring to as many American homes as possible the benefits of adequate life insurance protection;
2. To cooperate as a part of the institution of life insurance to combat inflationary talk and tendencies;
3. To counsel with all war veterans and urge that they retain their National Service Life insurance.

Upon the execution of this three-fold responsibility today depends, to a great extent, the prestige and increased usefulness of tomorrow's career life underwriters.

Equitable Life of Iowa Founded 1867

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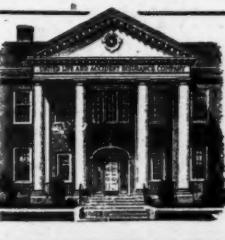
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Agents, here are policies designed to help you fill that demand.

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...today, as always, is friendly, efficient SERVICE.

It's true... we're not as large as many... yet can you judge on size alone?

We honestly strive to measure our stake in the kind of a job we do. And biggest and best... molding profits plus... are our gains in friendly service.

Thanks to our Field Force, gains have become a Union Mutual custom!

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The Test of Years

has proved the soundness of our plan of building small agencies headed by working general agents. Over the twelve years the plan has been used, Western Life agents have made better than average incomes. The quality of the business has steadily improved. It's a plan that appeals to the producer of \$150,000 and up. Check our financial statement.

WESTERN LIFE
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HELENA

Since 1910

Assets \$27,565,906
Surplus to Policyholders \$3,275,000
Insurance in Force \$119,259,560

R. B. RICHARDSON
President

LEE CANNON
Agency Vice President

MONTANA



(CONTINUED FROM PAGE 1)

of the hour, early in the proceedings while everyone was feeling fresh.

He called on E. A. Crane, Northwestern Mutual, Indianapolis, chairman of the by-laws committee. Mr. Crane explained that his policy has been to resist changes in the by-laws because as they were adopted 13 years ago, they have proved simple and workable and he dislikes to see complications introduced that might be difficult to administer. He said that he was simply submitting two proposals that were being strongly recommended in certain quarters. He pointed out that if they were to be voted on at Boston, the membership would have to be notified 60 days in advance.

Nominating Procedure Change

The first proposed change and the one that was given clearance is to have the nominating committee elected at the annual rather than at the mid-year meeting and to provide that two of the members shall be personal producers, two shall be agency heads and one shall be selected from a slate of former members of the nominating committee, which means that he may be either an agent or an agency head.

The second proposal was the 50-50 scheme. Whereupon Mr. Nickell took over. He observed that in the 13 years since the by-laws were adopted, the caliber of the soliciting agent has greatly improved. He said that about half of the presidents of local associations are soliciting agents. Among the big associations that have a 50-50 rule, he declared, are New York, Baltimore and Chicago. Texas shortly will vote on such a by-law, he declared.

The advisory council of Chicago, which is composed exclusively of soliciting agents, a year ago proposed the 50-50 rule for the National association, he declared.

Outlines Conditions

Mr. Nickell said that a man who is a soliciting agent at the time of his election as trustee should be permitted to continue on the board for the rest of his term if he should become an agency head in the meantime. Also, he declared, interim appointees to the board should be in the same category as the man whose vacancy they are filling.

Mr. Nickell reported on an opinion poll which his group had conducted. He said that he got replies from some 300 local associations and only 25 were opposed to giving consideration to the change in by-laws.

Vivian Anderson was the first to take the floor in opposition. He said it is impossible to legislate leadership. He emphasized that he would like to see more personal producers on the board. Out of the N.A.L.U.'s 59 presidents, only four have been personal producers.

Gets in a Dig

Mr. Anderson got in a dig when he said that the Chicago association in 1933 did everything it could to "lick me" for president, and he was then, as he is now, a personal producer.

Mr. Anderson said he has tried to get personal producers interested in as-

suming association leadership. In Ohio, however, he said he is the only personal producer that has ever served as president of Ohio Assn. of Life Underwriters. In Columbus seven of the nine trustees are personal producers without any by-laws, his point being that personal producers are readily available for home duties, but shy away from state and national obligations. He said it is a mistake to put anything into the by-laws that may involve difficulties of administration.

Many of the associations in Ohio that responded in the affirmative to the Nickell poll, he declared, did so without realizing the problems involved.

McKinley Warren of Boston spoke against the proposal.

Fluegelman Gives Arguments

David B. Fluegelman, Northwestern Mutual, New York, a personal producer, expressed opposition. He said in New York City where he was president, it is required that 18 of the board members be agents and that 17 be agency heads. That is an excellent provision, he said, but even in such a concentrated territory with 2,400 members, it is difficult to find agents that are capable and willing to do the work. Such an arrangement can be made to work within a small geographical area. Personal producer participation is extremely difficult to get in the New York state association of which Mr. Fluegelman is vice-president.

"Many have the ability," he said, "but not the availability."

With a 50-50 rule in the National association there would always be the danger that some year there might not be enough qualified candidates for trustee on the part of the agents. It is class legislation, he charged. Leadership must be sought out where it can be got.

Sees Division Multiplying

He declared that practically all the personal producers who have been trustees have been members of the Million Dollar Round Table, and he said that once the precedent was established of dividing trustees into categories, the round table might desire to have specific representation; the C.L.U.s then might want representation as such and perhaps the industrial agents.

Ralph W. Hoyer, John Hancock Mutual, Columbus, expressed opposition to the drawing of lines between segments of the organization. "This should be a big happy family," he said. Carrying forward Mr. Fluegelman's point, he suggested that if lines were drawn, the women's division might ask for specific representation. The association, he said, should always hold uppermost the advancement of the institution.

William B. Hardy, New England Mutual, Cincinnati, said he is a personal producer and has no aspiration to be anything else. He said he subscribes completely to the Nickell idea, but he asserted that it is not practical at this time. He recalled that he was on the nominating committee two years ago and he said he canvassed the whole field for likely leadership but found that the possibilities were few and far between in the individual agency ranks.



Vivian Anderson



W. B. Hardy

Ricks
Dallas, a

XUM

Ricks Strong, John Hancock Mutual, Dallas, announced that he was instructed by the Dallas association to vote against the motion.

E. W. Baker, John Hancock, Louisville, spoke against the plan.

Charles Kuttler, National Life, Davenport, recalled that the association rejected the idea that was advanced by the Los Angeles group of freezing the makeup of the board geographic-

ally. The same considerations that brought about rejection of that idea are applicable to the 50-50 plan, he said.

When the vote was taken there was a thunderous answer to the "no" question, although there seemed to be a number on the "yes" side, too.

Mr. Nickell said that the unanimity evidenced there did not correspond with the results of his opinion poll. "We also want a happy family," he said, indicating that unity could best be promoted by the by-law that he favors.

EAR BENDING TABU

The council proceedings, under the gavel of the fleet-witted and decisive Mr. Hobbs, were sharp. The committee reports in a printed pamphlet had been distributed ahead of time and the council members were credited with having read them, so that the various chairmen in their oral presentations confined themselves to reporting the net of the open sessions of the committees the previous day or provided other brief illumination or offered motions, if action were necessary. Ear bending was tabu.

Jul Baumann, Pacific Mutual, Houston, the vice-president, reported on the revision of the "Statement of Guiding Principles" as outlined in THE NATIONAL UNDERWRITER last week. He recalled that last year the council approved in principle a tentative statement. This was widely circulated. Now a revised draft has been promulgated. The trustees, he said, had approved it. Seven gave it the nod without reservation, four disapproved with comments, three approved with comments and three didn't vote.

HOW LOCAL UNITS VOTED

Of the expressions received from local associations, 66 were approbatory, 33 were approbatory with comments and four were unfavorable. Of the companies heard from, 19 applauded, 19 applauded with comments and two were against it.

The council, on motion of Mr. Baumann, adopted the statement and directed that it be gotten up in pamphlet form and sent to all NALU members and to company management.

Carlton W. Cox spoke for the functions and activities committee, the name of which is something of a tongue twister. He outlined the proposal for the new setup of the nominating committee, which was later ratified for submission at Boston. If the nominators were selected at the annual meeting, he observed, they would have a full year to search for trusted material and would have a better opportunity to unearth candidates from agency ranks.

On the matter of paying certain expenses of trustees, Mr. Cox said that the trustees turned it down despite the fact that the opinion survey was decidedly favorable to the idea. Of 207 replies received from local associations, 178 were favorable, 24 disapproved and five answers could not be catalogued.

TO RESHUFFLE COMMITTEES

E. A. Crane, in continuing his report as chairman of the by-laws committee, after the 50-50 question had been disposed of, said that an amendment will be prepared for a change in name of some of the committees, for converting some of the special committees into standing committees and redefining duties.

Another amendment will be offered to provide for the creation of an executive

committee to act between meetings of the trustees. Mr. Crane said some believe the trustees could delegate such authority without such an amendment, but the change will be submitted anyway.

Still another amendment will be one to do away with multiple voting. Each member of the council would be limited to one vote. That is, he could vote either in a representative capacity as president or national committeemen of his local association or in his personal capacity as an officer, trustee, former NALU president or chairman of a standing committee, but not in both capacities. He pointed out, however, that a local association, which might today get two votes in one representative, could still get two votes by sending as its voting representative a man who does not have a vote in a personal capacity.

HOLD FIRE ON NSLI CHANGE

John D. Marsh, Lincoln National, Washington, veterans affairs chairman, supplemented his written report with a plea to insurance men to refrain from agitating the question of a terminal date for National Service Life Insurance until plans for a specific proposal are formulated. Then the agents, he observed, can use their influence in an orderly manner.

Steacy Webster, Provident Mutual, Pittsburgh, said the life insurance information committee will soon conduct a survey on what is being done to utilize Institute of Life Insurance material. Incidentally Holgar Johnson, Institute president, was reporting unofficially that his organization has gotten more material into the hands of the public in the first two months of 1947 than it did during the entire year 1946.

Clifford H. Orr, National Life of Vermont, Philadelphia, for the committee on education, said that as time goes on the chances are that the committee will give more attention to promoting undergraduate insurance work. At the committee meeting the previous day sparks were touched off when leaders in the life insurance marketing courses, with their intensely practical, dollars and cents approach, offended the scholasticism of Robert Mayer, who teaches insurance undergraduate courses at Butler University. He pointed out that Butler does not turn out "quick agents." It undertakes to blend insurance instruction into a basic, liberal education, with emphasis on contributing to good citizenship. He said 35 are now in the insurance courses, which come in the junior and senior years.

Mr. Orr, at that time, remarked in effect, that the marketing courses and insurance undergraduate instruction are horses of entirely different gages and he expressed satisfaction that so much interest is being manifested in both directions.

At the council meeting he presented E. L. G. Zalinski, formerly New York Life Connecticut manager at New Haven, whose appointment had just been announced as director of the institutional intermediate training operation. Mr. Zalinski was warmly applauded. He will have offices at 11 West 42nd street, New York, in the same building but in separate quarters from NALU.

JUDD BENSON LEADS OFF

At the afternoon session Judd Benson led off with a supplement to his report as chairman of the law and legislation committee.

Mrs. Lillian L. Joseph, Home Life, New York, made a gracious response as chairman of the committee on women underwriters.

Harold P. Cooley, New England Mutual, general chairman for the Boston convention, outlined some of the attractions that are being arranged for that week. He said that Wednesday afternoon and evening of convention week are to be left open for fun. There will be a repetition of the Boston harbor cruise that was provided when Boston was last host in 1936, while for the landlubbers, 500 seats have been reserved for the Red Sox game.

Wednesday evening, the hosts hope to



Ricks Strong



CHECK THESE

In Checking Up On The Future

1. A long range of policies to enable you to offer some form of insurance to more people.
2. Rates that compare more than favorably.
3. Commission scale that is outstanding by any standard of comparison.
4. Promotion when ready for it—with concrete conditions explained when accepting your contract—don't have to haggle when you show the ability.

ASK ANICO OR ANY ANICO REPRESENTATIVE

OVER A BILLION *Now* ^{\$1,500,000,000} INSURANCE IN FORCE

Write Vice President

American National
INSURANCE COMPANY

GALVESTON, TEXAS - W. L. Moody, Jr., President

AN HONORABLE PROFESSION

The Beneficial Career Underwriter is a benefactor to humanity. Through his efforts mortgages are paid, widows are enjoying financial security, men and women are receiving retirement checks, children are educated, and businesses are saved from liquidation.

The services rendered by the career underwriter are an integral part of our American way of life.

BENEFICIAL LIFE
INSURANCE COMPANY

GEORGE ALBERT SMITH, President

SALT LAKE CITY, UTAH

be able to stage a big variety show at the Copley Plaza.

The ladies are going to get especial attention and he had only to announce who would be in charge of their activities to satisfy everyone that this is one that will be made to order for the wives. Mrs. George W. Smith, whose husband is president of New England Mutual, and Mrs. Paul F. Clark, whose husband is president of John Hancock Mutual and former NALU president, will do the honors.

Room Reservations

Mr. Cooley said room reservations should be made through the Boston Chamber of Commerce convention bureau.

John P. Costello, Southwestern Life, Dallas, as chairman of the agents committee, said he would welcome suggestions on men who would be valuable additions to that committee.

At this point on a show of hands it was discovered that 48 of the council members then in the room were agents and 47 were agency heads.

Mr. Nickell again took the microphone and what he asked for he got without ado. As chairman of the agents compensation committee he proposed that an expert be employed at national headquarters immediately to study the various compensation plans so that a detailed report can be made at Boston and that the information developed be disseminated through "Life Assn. News." This motion carried. Apparently there is some question whether these investigations shall be made by the present NALU staff or whether it will require an extra hand. There have been suggestions from time to time that NALU employ a full-time actuary.

Composition of Renewals

Also Mr. Nickell's report carried a statement of principle that renewals are deferred selling commissions and that 50% and nine 5's or their equivalent be the minimum that shall be vested. The open committee meeting the previous day attracted a large attendance and the session ran throughout the morning and well into the lunch hour. There seemed to be little or no dissent from the theory that any departures from or additions to the traditional compensation pattern should not tamper with vesting. The debate centered largely on how insistent the group ought to be in pressing its point and as to the timing of an offensive. The view that seemed to prevail

was that the group should hold its fire until the factual studies are ready. The point was made that it would be inconsistent on the one hand to insist upon a certain formula and on the other hand to sponsor a study to develop comparative data.

Charles J. Currie, Mutual Life, Atlanta, reported as membership chairman that at that moment there were 39,000 members, which was 10,000 more than on the same date a year ago.

Clancy Connell, Provident Mutual, New York, said the past presidents committee had hoped to get under way a history of NALU, so that it could be completed by 1950, but the consideration of cost is such that this may not be possible.

The Milwaukee and Wisconsin hosts saw to it that the visitors had plenty of fun and conveniences, even though Milwaukee was a last minute substitute for Roanoke, which had to surrender the host assignment because a necessary hotel addition will not be completed until next month.

Beer and Cheese

The Milwaukee - Wisconsin group, maintained headquarters day and night featuring the home state delicacies of beer and aged cheese. A cocktail party, dinner, and main line variety show was the contribution of the Wisconsin companies and during the evening executives of these companies were given a big hand, they being Grant Hill, Northwestern Mutual; A. G. Schmedeman, National Guardian; Gordon D. Adams, Wisconsin Life; W. J. Moore, Old Line Life, and G. A. L'Estrange, Wisconsin National.

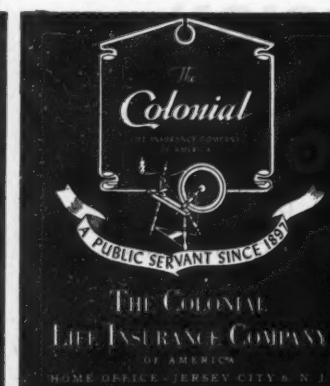
The previous evening Charles E. Cleeton, Occidental Life, Los Angeles, and an NALU trustee and the California delegation gave a cocktail party.

On the day of the national council meeting, the Milwaukee Managers Assn. held a luncheon meeting that was addressed by Holgar J. Johnson and Judd C. Benson.

In addition to the professional entertainers, the banquet group was treated to feasts of magic by R. M. Vetter, general agent at Madison for Continental Assurance.

Has 16 Plus Months

The Alexander F. Gillis agency at Newark of Provident Mutual Life has had 16 consecutive plus months, a new record for New Jersey.



As we enter our FIFTIETH YEAR in the Life Insurance business, we renew our pledge to serve and protect the American family.

Our portfolio of Ordinary and Weekly Premium contracts is being broadened constantly to keep pace with changing needs.

GENERAL AGENCY OPPORTUNITIES

Victory Mutual Life's new business in 1946 increased 19½ percent over 1945. Company has general agencies open for Dayton, Springfield and Youngstown, Ohio; Rochester and Troy, New York and East St. Louis in Illinois. Liberal contracts for qualified men. Write

G. W. Jones, V. P.
Victory Mutual Life Insurance Company
2340 Eighth Avenue
New York 27, N. Y.

Advertisers Prepare for Possible Rainy Day Ahead

(CONTINUED FROM PAGE 3)

on the costs of attending 135 colleges.

The return on this has been the least of any of the several this company this using, but each return reveals a real insurance situation. The prospect is qualified. The return has been 10% on this item. On the social security approach letter, offering a memorandum book, the return has been 18%. The company offered a date and expense booklet for women, and the return was 32%, but practically no insurance sales were made. On an offering of a pencil case, with children's name imprinted, there were 12% replies, but two or three children's names to each reply, which provided a 30% prospect return. On the pencil case offering the average sale was \$2,800; almost \$10,000 on the estate programming letter, etc. Sales averaged one in 10 on the bait letters over three years, Mr. Gentry said.

Some companies use national advertising reprints in letter mailings to build prestige for the company and individual agents.

Direct mail must be merchandised if agents are to use it effectively and continuously. The merchandising can be done through company magazines, sales meetings and in other ways, but unless it is done, agents will quit using it, no matter how effective the item is in producing results.

One company reported that by eliminating the technical insurance language in one direct mail letter, it increased returns from 17 to 30%.

Sometimes it is difficult to tell just how essential direct mail is. Seneca M. Gamble, Massachusetts Mutual Life, commented. During the war his company offered a ration book case, secured a 57% return, but found there were 14 sales per 100 names among repliers and 16 among non-repliers.

Big Return on Investment

The country-wide average return for New England Mutual agents in first year commissions is \$24 for every \$1 invested in direct mail cost, Mr. Gentry said. If renewals are considered, the return is \$40 for \$1. Some agents' results run higher.

Howard D. Shaw of Girard Life wondered why more unusual ideas are not used. For example, one agent uses a penny postal, writes on it, "I plan to call on you Wednesday at 7:30 p. m. If this is not convenient, phone me." The results have been excellent. This is used with old policyholders.

One problem discussed at the sales promotion forum was a definition of sales promotion. L. B. Hendershot of Berkshire Life said that it doesn't include advertising. Mr. Trangmar agreed. Metropolitan Life's national advertising, for example, is not sales promotion but is aimed at improving mortality. Charles Crane of National Life wondered if Metropolitan doesn't have requests from agents to include promotion of sales in national advertising. Yes, Mr. Trangmar answered, but they get sales tools in other ways. Mr. Hendershot believes it is advantageous to consider advertising and sales promotion separately; then each is more effective.

Berkshire's Plan

Berkshire's "triangle plan" of merchandising, based on needs, personal problems and life insurance as the solution to those problems, was described by Mr. Hendershot as a broad, integrated sales promotion plan, backed by advertising, direct mail, and other promotional aids. Few companies, he said, have a good, seasoned merchandising plan.

"Your Family, Inc." was discussed by Seneca Gamble.

Lately Metropolitan has had a number of requests for special visual aids dealing only with retirement income, Mr. Trangmar said.

One retirement income presentation Massachusetts Mutual put out used a \$20,000 policy as illustration. Of the first six reports on sales as a result of the promotion, five were for \$20,000, Mr. Gamble noted. The other was for \$16,000.

Many top flight producers don't use visual sales aids, Margaret Divver, John Hancock, said, but you can't run a company on and for top flight producers only. If a company gets 25% of its agents to go along with a piece of promotion, it should be well satisfied, several agreed.

Interest in Business Insurance

Norman Klages, Reliance Life, said there is a lot of interest now in business life insurance, and much new literature is being issued on the subject. Others had noted this trend.

One problem is to determine whether a piece of promotion is of continuing interest to agents. Mr. Gamble said he keeps an inventory and then periodically sends a list to agents for them to check. In this way only pieces being used or in which the agents are interested are continued.

Another problem is testing promotion items. Some companies do this with selected agents over the country; another has three test agencies. Home office agencies are not good because usually they aren't typical.

With company magazines it is often difficult to have a single, clear editorial policy because of several purposes they must attempt, Mr. Walker said. Should they deal with sales promotion, recognition of agents, public relations?

Community Feeling

The answer at Home Life, said Paul Troth, is to make it a company publication—for home office executives and employees, field offices and employees; to help weld the organization into one doing a life insurance business. Home Life's publication has been successful in this effort.

Mr. Gamble said another way is to have a publication for each of several major things that the company magazine attempts to do.

What do the companies get from the 15% they spend with advertising agents was the principal topic of the national advertising session. Some company advertising men indicated they were satisfied with what they receive in way of service; others showed that they don't think they get their money's worth. Russell Noyes of Phoenix Mutual; Al Randolph, Penn Mutual; Irene Morgan of National Life; J. F. Crowley, Metropolitan; N. B. Priddle, Dominion Life; C. E. Crane of National Life; Morgan S. Crockford, Excelsior Life; and Miss Divver participated in a discussion of this topic, radio advertising, and formulae for budgeting advertising expenditures.

There was considerable interest but little experience in radio advertising. Metropolitan has done some, and John Hancock is now experimenting with the Boston Symphony. Mr. Crowley said that his company had changed pretty much from transcriptions to live copy on the radio because of the usual type of transcribed program. Metropolitan is just starting a 47-station news program with the theme of "A good hint for good health." Jefferson Standard successfully is using spot announcements, with agents sharing local cost. Currently there is a lot of demand for mat service by agents, Mr. Noyes reported.

Policyholder Relations

The session on policyholders relations was one of the liveliest and most productive of the program. Miss Shuler described Penn Mutual's new movie, an 18-minute animated presentation that combines the centennial and annual

(CONTINUED ON PAGE 28)

Milwaukee Sales Congress Sparkles

(CONTINUED FROM PAGE 21)
said that in all probability, the dollars that will be returned to today's policyholders will be worth considerably more than they are now.

Charles J. Currie, Mutual Life manager in Atlanta, and membership chairman of the National Association, declared that, though the membership has grown mightily, there still remains the job of building it even stronger, so that the public will have confidence in the association and each one of its members. He drew the parallel between N.A.L.U. and the medical and bar associations, saying that most people would not consider calling in a doctor or lawyer who was not a member of his national association. He said that N.A.L.U. has the same purpose in mind as the other professional associations—to protect the practitioners and the public.

Cites Low Membership Cost

For those in the association fold, he said it was vital to make the public relations value so high that the agent can't afford not to belong. He advised continuation of spreading public relations through specific plans through the association and not in a multitude of disorganized projects. He pointed out that it costs much more to belong to any of the business associations or fraternal lodges than it does to belong to N.A.L.U.

Closing the program at a high level, Hugh S. Bell, general agent Equitable of Iowa, Seattle, employed his infectious personality and a rainbow of colored chalk on the blackboard to illustrate what it takes to attain success in life insurance. He said that success is first of all a matter of substantial character and personality. The life salesman must be stable and possess a positive mental attitude with the will to win, because it takes a great deal of nerve to call on prospects. He must steer clear of negative ideas. He must read up on his business. In this conjunction, Mr. Bell said that the insurance journals are fine examples of educational and news publications and that each agent should read at least one of these journals.

Mr. Bell said the agent must be possessed of kindness and decency and must be "nice folks." The job calls for work. He said there are three kinds of loafers, the technician, who spends all his time at his desk in semi-actuarial computations, the competition hound who contents himself with trying to steal other men's prospects rather than looking for his own, and the garden variety loafer who keeps up with the latest movies. He said the agent must have pride in himself, his city, and his company and that a man of pride is usually a successful man.

Caravan Goes to San Jose

Harry N. Lyon, general agent of Fidelity Mutual Life in San Francisco and a colonel of marines in the war, is

chairman of the northern California sales caravan which will visit San Jose March 21 and provide the program at the monthly meeting of the local association. Robert M. Slater is chairman of the local caravan committee.

Speakers include: S. B. Brooks, assistant manager Guardian Life, San Francisco, on "What a Life," dealing with career underwriting; A. E. Weimars, Oakland agent of Metropolitan, "Family Insurance Specialist"; W. R. Massingale, Fidelity Mutual, San Francisco, "Hoist the Jib Halyard"; J. M. Hamill, Equitable Society, San Francisco, president California Assn. of Life Underwriters, "Association Activities"; R. E. Dye, associate manager New York Life, Oakland, "Peace—It's Wonderful," and George Mortensen, associate manager Equitable Society, "Modern Programming."

Pittsburgh Sales Pageant

The centennial of the first recorded life insurance sale in Pittsburgh, to one Robert Finney, was celebrated there by representatives of Mutual Benefit Life at a dinner and pageant. Host was M. Jay Ream, general agent.

This sale was reenacted in the pageant, which included scenes of the Finney family entertaining President and Mrs. Lincoln, en route to the White House.

Harold Hersperger and Mrs. J. D. Ennis, Mr. Finney's grandchildren, who had never met previously, although both live in Pittsburgh, were brought together as a result of endeavors to locate Mr. Finney's descendants.

Mr. Ream gave a talk, "Hats Off to the Past—Coats Off to the Future."

H. G. Kenagy, vice-president, gave a short history of the company in that part of Pennsylvania.

\$3 Million in One Day

On the first day of the March campaign of Unity Life & Accident in honor of President E. R. Deming, life applications in the amount of \$3 million were submitted. This was an all-time record and exceeds last year's first day by more than \$1 million. The quota for March is \$7 million. Mr. Deming entertained several agency heads who were able to get to Syracuse for the first day of the campaign.

Kansas Dates May 15-16

Kansas Assn. of Life Underwriters will hold its annual meeting at the Kansas hotel, Topeka, May 15-16.

McCahan Pittsburgh Speaker

The Pittsburgh C.L.U. chapter was addressed at a luncheon meeting Wednesday by Dr. David McCahan, dean of American College, and there was a talk on "Orphans' Court Practice."

To Speak on Wagner Act

"The Wagner Act and Group Insurance will be the subject of an address by Joseph E. Gubbins, attorney dealing in labor relations, before the Group Supervisors division of the Chicago Assn. of Life Underwriters at a luncheon April 7.

1907 — Fortieth Anniversary — 1947

ACHIEVEMENT

At the beginning of our fortieth year Protective Life is proud to report insurance in force of over \$242 Million—an increase of over \$43 Million during the last 12 months.

During the past 7 years, insurance in force has more than doubled and in 1946 the net increase was 22%. During 1946 the sales of new insurance was 98% greater than in 1945.

Consistent, Healthy Growth Is No Accident

Such achievement is possible because of the public's acceptance of Protective's complete line of policies and results achieved by well qualified Protective Life field representatives.

- General Agency openings for qualified life underwriters
- Liberal Agency Contracts
- Up-to-minute aids in Recruiting, Training — Sales
- Close Home Office cooperation

**PROTECTIVE LIFE
INSURANCE COMPANY**

WILLIAM J. RUSHTON, President BIRMINGHAM, ALA.



Insurance In Force \$242,000,000

SECURITY—THE BIRTHRIGHT OF CHILDREN

Children think only of today; it is for YOU to think of their

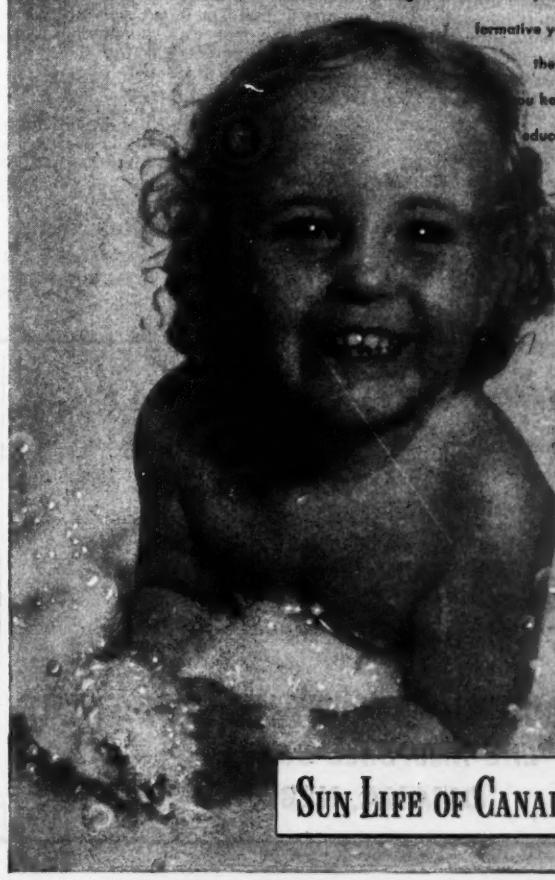
tomorrow. Through Life Assurance you not only safeguard their

formative years but guarantee

the realization of those plans

you have made for their

education and well-being.



SUN LIFE OF CANADA

FOR
SECURITY

**NON-CANCELABLE
HEALTH and ACCIDENT
ALL FORMS OF LIFE
INSURANCE**



**THE
Paul Revere**

LIFE INSURANCE COMPANY
OF WORCESTER, MASSACHUSETTS

Ask Continuation of War Time Simplifications

NEW YORK—At its meeting here April 7-9 the blanks committee of National Assn. of Insurance Commissioners will be asked to make permanent a number of wartime simplifications in the annual statement blank, to approve a new, simpler and more realistic exhibit of life insurance policies, and to change schedule "T" to bring it in line with current conditions. These proposals are made by the joint committee on blanks of American Life Convention and Life Insurance Assn. of America.

So far as the companies are concerned, the difficulties which gave rise to the granting of their request for relief from individual listing are present today just as acutely, if not more acutely, than during the war period. Company staffs have been operating on an overtime basis throughout the entire year and the cost of overtime is tremendous. Staffs are overtaxed and dissatisfied with the long hours of work. Shortages in help are just as acute in the branch offices as in the home offices. Similarly, the offices of the various insurance departments are said to be overtaxed and the suggestions made should be helpful to them as well as to the companies. Some of the large companies, at the present time, are understaffed by as much as 10% and the extra load incidental to detailed listings in the schedules is beyond the capability of a great many companies.

Wartime economies which the associations would like to see retained include summarizing rather than detailing information on real estate valued up to \$100,000 or 1% of assets, whichever is less, and the omission of a considerable amount of detailed data on real estate and other forms of investment where the information is of no practical value and can be readily obtained from other sources if desired.

Common Stock Results

Because of Provident Mutual Life's conservative tradition, its decision in 1944 to buy common stocks in a modest way attracted the attention of the industry. Its new annual report states that its holdings of common stocks at cost price now total \$9,365,000. At the time of purchase the average yield on these stocks was 3.99% and this has since increased to 4.6% based on cost. Some sales have been made resulting in aggregate gain of \$352,000 over cost. The common stock holdings carried on the books at N.A.I.C. valuations exceed cost by \$771,000.

Agency Heads, C.L.U. Confer

The Hartford General Agents & Managers Assn. held a joint meeting Thursday with the Hartford C.L.U. chapter. William Fenniman, vice-president and trust officer Phoenix State Bank & Trust Co., discussed "Coordination of the Insurance Estate with the General Estate."

Companies Held Liable in Oklahoma for Tax

OKLAHOMA CITY—Out of state insurance companies operating in Oklahoma in 1944 are liable for approximately \$2,500,000 gross premium taxes on business done in the state that year, according to an opinion by the attorney general to Commissioner Dickey.

The opinion holds that both the old law, existent at the time, and the new law that became effective Feb. 28, 1945, were applicable. The attorney general suggests that the department immediately notify companies that they owe this tax and call attention to the privilege they have of paying it under protest.

The ruling was in response to a request by the commissioner, asking whether the department should have collected in 1945 the 4% premium tax levied in 1941 for the license year beginning March 1, 1944, and ending Feb. 28, 1945. The department had collected the premium tax levied by the 1945 act for the license year beginning March 1, 1945.

P. R. Course Draws 125

More than 125 life insurance office employees have completed the public relations course conducted by the Life Agency Cashiers Assn. of Detroit and Windsor in conjunction with the General Agents & Managers group in Detroit. The course covered six weeks and included a number of outstanding speakers. Richard M. Lavell, Manufacturers Life, was chairman of the committee which had charge of the course.

Award to Gastil Agency

The Walter G. Gastil agency of Connecticut General Life at Los Angeles has been selected for the outstanding agency award in the top bracket of the company agency. This is the sixth time in 12 years the agency has received this award.

Penn. Mutual Movie on Coast

About 400 attended the reception and buffet of the San Francisco agency of Penn Mutual Life where the centennial movie was shown. Principal speaker was President John A. Stevenson.

On Friday Malcolm Adam, vice-president, will be host at a similar meeting at Oakland. There was a showing Tuesday at Los Angeles.

Deinel to St. Louis

Cay R. Deinel, who has been Kansas City manager of Life & Casualty, has been transferred to St. Louis as manager of the North St. Louis branch.

Henry G. Drabin Resigns

Henry G. Drabin has resigned as general agent of State Mutual Life at San Francisco to devote his time to personal production.

A GOOD "GROWING" YEAR

The Woodmen of the World enjoyed a good growing year in 1946, with greater gains than any year in the past quarter century.

It recorded net gains of 22,720 members and \$24,207,000 in insurance in force. Its assets grew more than Five Million Dollars to exceed \$158,000,000, and its reserves climbed upward \$4,600,000 to a new high of \$154,000,000.

WOODMEN OF THE WORLD
Life Insurance Society
OMAHA, NEBR.

Central Life of Illinois Shows Big Surplus Gain

Surplus to policyholders of Central Life of Illinois increased \$801,828 during 1946, bringing the total to \$3,429,803.

Assets are \$30,594,512, an increase of \$1,828,078.

Insurance in force is now \$135,325,643.

Opens New Spokane Office

Under the direction of Herbert V. Sorenson, assistant manager, Prudential has opened an ordinary office at Tacoma, Wash. It will operate as a branch of the Seattle ordinary agency, which is under the management of Austin Thayer.

Landau in Action Again

Jake Max Landau, the notorious insurance swindler, has been identified through handwriting as being in action again in the vicinity of Kansas City, Mo. A warrant has been issued for his arrest by the Springfield, Mo., authorities.

Landau's tactics invariably follow the same pattern. He calls on widows in grief from the recent death of their husbands, identifies himself as an insurance adjuster, claiming the husband possessed a fully paid policy with the company. To receive payment, however, Landau declares the widow must pay a certain amount to cover expenses in handling the matter.

Landau escaped from the penitentiary at LaGrange, Ky., early last year. A \$100 reward is offered by Kentucky authorities for his apprehension.

Flower Home Director

Henry C. Flower, Jr., vice-president and director of J. Walter Thompson Co., has been elected a director of Home Life of New York.

Joseph Davis a Director

Joseph Davis, president of four Buffalo companies in engineering, contracting and allied lines, has been elected a director of Security Mutual Life of Binghamton.

High Average Earnings

Franklin Life finds that an aggregate compensation was paid to its agents last year of \$4,372,000. The top 100 representatives averaged cash earnings of \$18,000. The top 10 averaged \$39,972; the 25th man earned \$21,417; the 75th \$11,861, and the 100th man earned over \$10,000.

Opens New Tex. Unit

Prudential has opened an office at Wichita, Tex., under Charles F. Burdette, Jr., as assistant manager. It is a branch of the San Antonio ordinary agency.

Mr. Burdette was formerly examiner for Reconstruction Finance Corp. at San Antonio and an officer of Producer's Wool & Mohair Co. at Del Rio.

Sun Life Publication

The annual publication of Sun Life of Canada, incorporating annual statement figures, is attracting favorable attention. It is very appealing typographically and contains many features enabling a policyholder who is not grounded in the intricacies of finance, to grasp the overall results.

W. J. Farley has been appointed cashier of the Mammel agency of Farmers & Bankers Life at Wichita.

David L. Shultes, chief of the New York department's statistical bureau, gave two lectures on insurance supervision before classes of the Albany Business College.

Raymond W. Simpkin, agency comptroller of Connecticut Mutual, has been elected vice-president of Hartford Community Chest.

Alexander Iowa Possibility

DES MOINES—Sterling A. Alexander, Webster City attorney, is being mentioned as a possible successor to Charles R. Fischer as insurance commissioner.

Mr. Fischer, who has held the post since 1939, the longest term of any Iowa commissioner, has not been a candidate for reappointment.

Zerbst Agency Secretary

Walter R. Zerbst has been appointed agency secretary of U. S. Life. He will handle all phases of service to the agents and will act as liaison between the field and home office.

Mr. Zerbst has been an insurance man 14 years. He attended University of North Carolina.

Before going with U. S. Life Mr. Zerbst was with the H. Arthur Schmidt agency of New England Mutual at New York and prior to that he was with the Wells & Connell (now C. D. Connell) and the Tunmore agencies of Provident Mutual.

Confirm Minn. Appointees

ST. PAUL—Appointments of Newell R. Johnson as insurance commissioner and Richard C. Purcell as secretary of the state compensation insurance board have been confirmed by the Minnesota senate. Commissioner Johnson is re-appointed.

Qualification Bill in N. J.

Senator Charles Barton has introduced the N.A.L.U. agents' qualification bill in the New Jersey senate.

Those who served in the war will not have to take examination, if they at any time held a license or a broker's license in New Jersey.

Stribling Opens New Offices

Harold Stribling, former manager of California-Western States, recently appointed general agent of Manhattan Life at Oakland, Cal., has established district offices at Richmond and Alameda. He has appointed John F. A. Maguire agency supervisor in the headquarters office in Oakland. Mr. Stribling is president of the Oakland General Agents & Managers Assn.

The estate of the late Dr. Charles E. Albright of Milwaukee, millionaire producer for Northwestern Mutual Life, is valued at \$5,482,580. This is exclusive of life insurance of \$685,000. Dr. Albright when he died last June was 75 years of age. He was a director in a score or more corporations.

Charles R. Harris, New York Life, Louisville, is receiving congratulations on his excellent consistency record. On two years business totaling 160 applications for \$780,000 there were only two lapses for a total of \$4,000. He will soon complete 20 years with New York Life and has completed more than 1,000 weeks of consecutive production.

"Since 1868"—the best in Life Insurance Service for Catholics

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Whole Family Life Insurance for Catholics

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A Legal Reserve Fraternal Benefit Society
Bina West Miller Supreme President
Frances D. Partridge Supreme Secretary
Port Huron, Michigan

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PANEL ON PROSPECTING IS STAGED AT CHICAGO

(CONTINUED FROM PAGE 10)

along very well without a list. He never delivers a policy without securing referred leads. "I am confident that at any time I can pick up anywhere from 10 to 25 referred leads from my policyholders."

Cold canvass of the coldest sort was discussed by Richard Smith, Equitable Society, who finds it a great way for a new agent to break into the business, and a tonic and sure-fire method of securing worth-while prospects.

The new man, he said, can't rely on referred leads, on selling new business to old clients, or on people calling on him for insurance. He must devise some plan to get the ball rolling. "I believe that is the toughest job that ever confronts a man in this business." The new man is trained, furnished tools, etc.; he has all the necessary qualities for success at his disposal, Mr. Smith said, but how is he going to get started, how make the first sale, and the second, third, etc? How long will it be between cases? How is he going to sell enough cases in the first few months so he will make a reasonable living?

Mr. Smith selects a cold canvass list from the telephone directory, merely names and addresses, persons about whom he knows nothing in advance. Instead of calling in person, he telephones, on the theory that there will be a certain percentage of favorable responses and the telephone saves a great deal of time. That this theory is tenable, was proved not long ago when a stranger prospect replied he had been putting off buying life insurance for five years and would put it off no longer, so he bought \$10,000 from Agent Smith.

Works Eight or Nine Hours

The agent who is busy—eight or nine hours a day—will come out all right, he believes. The telephone is a very handy device to break the ice and eliminate a great number of persons who are unqualified as prospects. In the past he has used the telephone for 90% of his prospecting. Today his prospects no longer are cold, but a year ago he was faced with the problem whether he could sell life insurance, and he solved it by this method of cold canvass.

"I had to make up my mind that I could sell to strangers," he said, "as well as to friends, and the only way I could convince myself was to devise a plan for absolute cold canvass . . . I made as many as 50 telephone calls in one day with no intention of doing anything but lining up future interviews. After I made the appointments I called on them individually, not solely for the purpose of soliciting business, but for the experience I could gain from calling on people, listening to their problems and presenting my solution.

"A good number of the calls turned out to be sales because the law of averages is on your side. You cannot expect to call on 10 people a day without selling some cases. Selling insurance by this method is almost like selling newspapers—a certain percentage of the people you see will buy, and the louder you yell, like the newsboy, the more you will sell."

In 10 months of 1946 Mr. Smith closed 80 cases, all on cold canvass. "My firm belief in this type of selling," he concluded, "is that by simply getting around, mingling with people, getting yourself known in various offices, factories and business establishments, you cannot help but fall into a certain amount of cases. If you are around during a receptive time, chances are you will get the business."

WANTED

Head of well established Chicago agency with 6 full-time men and brokerage contacts by company with nearly \$800 million insurance in force. Immediate earnings opportunities over \$10,000. Address L-5, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

"Prospecting among Business Women" was taken up by Mrs. English. She believes the best woman prospects are in the semi-executive and executive positions. "The average young girl is more or less working until the day she can quit and become a housewife, so she would be confronted with the fact that to carry on financially would then become the responsibility of her husband, thus she is a problematical prospect."

Women office managers and department managers in industry fall in the semi-executive group, and are women who usually have developed a sense of independence, and whether married or not find business activity is an essential part of their life, so are excellent life insurance prospects.

Women in the executive group are a great elaboration on the other type, Mrs. English said, and have more income and greater opportunity to save more money. Most of them are married or widows. They are substantial, can think clearly through a problem and are excellent prospects. They are quite easy to meet, she said because they appreciate what a woman has to do to get there. They usually are more willing to do business with a woman than a man, particularly where there is a problem which they feel another woman better understands.

A third group is the widows left with children, who have incomes from life insurance, or earning ability. They generally desire to give their children all the security produced by income that can be created by life insurance so the children can continue with educational plans and improvement in case the mother dies. These women are in an excellent category as prospects because they already have experienced the value of an independent income created by their deceased husbands. They understand quickly the type of plan that will solve their particular problems.

Security Is Great Attraction

"Of course, in each instance, in all three groups, the plan of building security for later life is the strongest motivating force and assures you that your prospects will be able to do for themselves." Mrs. English said not to overlook the lesser lights or clerical employees just because they do not fall in the three groups she mentioned. Many of them are intensely interested in taking advantage of the savings plan through life insurance and are solid enough to follow through to completion. Some are on their way up and if the agent builds solidly with them they will prove profitable clients in future.

Mrs. English is wife of T. E. English, bankers of Neb. general agent, and successful in her own right.

Howard Smith of the Dale Carnegie Institute in Chicago gave a talk on the institute's memory and sales appeal courses.

Judd C. Benson, Union Central Life home office agency manager at Cincinnati, will talk on "Law and Legislation" and "The Road to Sales" in the final forum Saturday, and C. J. Zimmerman, acting manager L.I.A.M.A., Hartford, on "Sales Ideas that Click."

Fla. Tax Not Retroactive

The Florida premium tax equalization law that was enacted in 1945 was not retroactive and did not become effective until May 23, 1945.

This was the decision of the Florida supreme court in affirming a decision in favor of Independent Life & Accident and against Commissioner Larson.

Prior to 1945 domestic companies were exempt from the premium tax.

Circuit Judge Walker of Tallahassee had decided that this was not a prospective tax, payable at the first of the year, but that it is a tax imposed for doing business the preceding year, payable at the end of the year.

Offers Fraternal Week Material

Promotional material which has been prepared for the Fraternal Week demonstration May 11-17 was announced this week by the special committee of the National Fraternal Congress which has charge of plans for the effort. Frank B. Mallett of Protected Home Circle, Sharon, Pa., is chairman.

The material includes one-color and two-color magazine covers, and a Fraternal Week sticker. The committee suggests that all fraternal magazines use one of the covers for the April or May issues just preceding the week, and is prepared to furnish electrotypes for the purpose at moderate costs. Proofs may be secured. Electros may be ordered directly from Kable Bros. Co., Mt. Morris, Ill., publishers. The prices are especially low because N.F.C. absorbed the cost of the original art work and cuts.

Stickers for Mail Matter

The stickers are designed for use on societies' envelopes and letterheads, and electros will be supplied so societies may print their own stickers. Mr. Mallett explains that if sizes offered are not usable, original cuts may be secured in proper size.

The magazine covers on a background outline of the North American continent depict two hands clasped, the week's theme, "Protection Plus," and sketches showing such fraternal activities as hospitals and sanatoria, homes for the aged, men's lodge and social activities, women's activities, and patriotism.

Field Leaders Confer

Key men and traveling supervisors of Wisconsin National Life met in Milwaukee for an all-day session to discuss plans. G. A. L'Estrange, vice-president and agency director, directed the session. Alfred K. Perego, Milwaukee general agent, was in charge of local arrangements.

New Mutual Savings Directors

Mutual Savings Life has elected as directors Duncan C. Dobson, president Ludlow-Saylor Wire Co., and W. Davis Gunter, president Coca-Cola Bottling Co.

R. W. Corwin Honored

Roswell W. Corwin, recently appointed general agent in New York City by New England Mutual Life, was the guest of honor at the agency's "open house" and dinner, when leading insurance men, friends and agency associates extended congratulations. He was presented an onyx desk set with an inscribed plaque. Home office guests included Vice-president George L. Hunt, Agency Secretary Charles F. Collins, who acted as toastmaster, and Auditor G. E. Perino.

Life-Trust Council to Meet

Norman McClave, assistant secretary Northern Trust Co., Chicago will speak at a meeting of the Chicago Life Insurance & Trust Council April 2 on "Benefits of Profit-sharing Plans and Problems in Their Administration." He spends much time in administration of employee benefit trusts.

Highlights of New Wash. Code

Commissioner Sullivan of Washington in outlining the important features of the newly enacted insurance code, points out that it embraces the Guertin legislation; dependent coverage is made permissible under group coverage; conversion privilege is extended to certificate holders of five years standing when the contract is terminated by employer or insurer. There is a complete chapter on industrial insurance.

The uniform simultaneous death statute is enacted.

Miscellaneous proceeds held by a company upon the death of policyholder may be paid to the named beneficiary or to others entitled thereto without requiring a probate of the estate.

Sickness disability benefits owing to the policyholder at the time of his death, may be paid to his beneficiary.

A minor 18 years of age or over may receive instalment proceeds from a life policy as beneficiary up to \$2,000 per year without requiring appointment of a guardian.

Accidental death benefits may be paid out in monthly or other periodic installments, instead of in a lump sum.

In addition to the old exemptions the new code exempts from creditors of the policyholder the proceeds of annuity contracts up to \$250 per month.

Form New La. Insurer

United States Assurance is the title of a new stock legal reserve life company at 619 South Buchanan street, Lafayette, La. It started with \$117,000 paid in capital and the same amount of net surplus. The \$10 par value shares were sold at \$20. All American Assured Securities Co. owns 51% of the stock. The president is W. D. Huff, Jr., executive vice-president and superintendent of agencies, Rex McCullough; vice-president, P. C. G. Simmons, secretary, D. R. Domingue, and treasurer, L. A. Bourgeois.

Investment Group Meets

NEW YORK—The Life Insurance Investment Research Committee is holding a meeting March 20-21 at the Gramercy Park Hotel here. John S. Sinclair, executive vice-president of New York Life, is chairman. The last meeting of the committee was in December.

SUPERVISORS HEAR OBER

Considerable shrinkage in office staffs of life agencies within the next 10 years was predicted by Robert F. Ober, general agent of Berkshire Life, speaking at a luncheon of Chicago Life Agency Supervisors Club. Mr. Ober, who just recently went to Chicago, said that there is considerable overlapping between office duties in agencies and the home offices and that this will result in elimination of staffs on the agency side for the benefit of the business.

Mr. Ober observed that if in these lush times a new agent doesn't start fast, he won't start at all. He said before a new agent is assigned to a supervisor for training it must be determined whether the temperaments of trainee and trainer will mesh. He envisioned the general agency as a small group of able men in loose federation with one inside man to hold them together.

MANAGER WANTED

• Indiana Agency Open

- An aggressive BILLION DOLLAR COMPANY has a very unusual and remunerative opportunity available NOW.
- The Agency is well established, with several high quality, loyal and ambitious Underwriters, capable and desirous of greater accomplishment. Present Manager prefers personal production.
- Replies will be held in confidence. If interested, please send complete information, giving experience, educational background, family status and age. Address to L-7, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Forum at St. Louis Explains Tax Angles

(CONTINUED FROM PAGE 10)

created in property which he had previously owned in his individual name. In these situations the amount of the gift is the entire value of the property, less the value of the right of the husband to income or other enjoyment of the property during the joint lives of himself and his wife, and less the value of the right of the husband to the whole of the property should he survive his wife.

He said the gift tax exemption and exclusion present an opportunity to lighten the tax burden but taking property in joint names does not accomplish this result. On the other hand, if the wife dies first, none of the property is taxable in her estate, and the amount paid by way of gift tax is completely lost.

"It is evident that there is no resulting tax advantage from placing property in joint ownership," Mr. Weidert said, "and the owner of property who is considering the advisability of creating joint ownership for the sole purpose of avoiding administration of the property in the probate court should give serious thought to the fact that should litigation be necessary in determining title, the cost of such litigation would be far in excess of the usual administration expenses incident to administration of his estate in the probate court."

"The creator of joint ownership, who furnishes all the consideration, seldom realizes the complications that may develop in connection with the property he

has placed in joint names. The harmonious relationship existing between himself and the other joint owners may not continue to exist, with the result that he may be placed in a very awkward position should he subsequently attempt to terminate the arrangement.

"The natural alternative to joint ownership is the living trust. It has the advantages of uninterrupted title and can be set up to benefit two or more generations of family successively. The best that can be said for joint ownership is that it eliminates one estate administration and avoids no taxes. A living trust may eliminate several estate administrations and substantially reduce taxes."

Speaks for Tax Deduction

The federal government should be called upon to permit a reasonable deduction for life insurance premiums paid by young men who are endeavoring to create modest estates for protection of their families and to make them self-reliant and stay off the government dole rolls, Mr. Shattuck declared in his address on "Revocable Trusts." It would not be unreasonable or improper also to ask the government to permit a tax deduction for premiums paid on life insurance purchased to provide cash with which to pay estate taxes, since it would be to the distinct advantage of Uncle Sam to have the ready cash rather than go through the difficulties of collecting taxes due from estates hard up for cash.

He admitted a policy of permitting such deductions was decidedly contrary to the modern thinking of the U. S. tax collecting forces, but urged that interested groups cooperate in carrying this request to congress. He believes the

congressmen will listen, and give proper consideration to such a plan.

From a governmental viewpoint, he said, any system that permits the growing generation to build for the future and provide for their own needs is sound economically because it keeps such men and their families off relief rolls and holds down the cost of government, benefiting the entire nation.

Mr. Shattuck said the existing federal laws instead of encouraging purchase of life insurance in an effort to create a nation of self-reliant young men actually discriminates against insurance in many ways. A man cannot give away a life policy to other people without it being subject to the gift tax. Yet life insurance is the only way millions of young men and women today ever can hope to attain estates.

Use in Estate Planning

Touching on use of life insurance in estate planning, he expressed regret some life companies apparently have failed properly to encourage purchase of life insurance in creation of revocable trusts and in estate planning. Many home office executives, he said, have taken the position the rigid optional provisions in the policy are better than the more flexible arrangements possible under revocable trusts. They fear some day a large number of trustees may descend upon the company with large cash demands. Some have even hesitated to extend to estate trustees the same rights with respect to options for future use as are enjoyed by other policy beneficiaries. In recent months he has noted a trend toward a more cooperative attitude by companies in estate planning, and a number have eased rules regarding use of options, etc., by estate trustees.

Richmond Agency Sets Records

New England Mutual Life's Richmond general agency set several records in February. The organization, headed by Benjamin W. Davis, had the largest month in its 20-year history, while B. Stewart Parrish, an associate of this company for 18 years, led the entire country in personal production.

During the month, which was designated as Charles F. Collins month in honor of the company's agency secretary, the agency ranked third among New England Mutual's 71 agencies, and since Jan. 1 has achieved 52% of its quota for the year.

S. F. Round Table Elects

George Hauck, National Life of Vermont, was elected president of the San Francisco Quarter Million Round Table at the annual meeting. Jack Boyd, Connecticut General Life, is vice-president and James V. Lawry, Northwestern Mutual Life, secretary.

A special committee was named to discuss liberalization of membership requirements, to enable some big personal producers who do a brokerage business to qualify.

Stroup Neb. General Agent

Dale D. Stroup has been named general agent for Ohio National Life at Holdrege, Nebr., with territory to include western and central Nebraska. Before taking over his new job he made a plane trip to Cincinnati to confer with home office officials.

Holds Ill. and Minn. Rallies

Two regional meetings in Illinois and Minnesota were conducted last month by Wisconsin National Life with a total attendance of about 60. Both meetings consisted principally of sales forums. G. A. L'Estrange, vice-president; A. L. Senderhauf, agency assistant, and L. N. Ressler, home office field supervisor, led discussions at the Illinois gathering, and J. J. McDonald, Minnesota supervisor; Harvey Bohm, chief A. & H. underwriter, and Mr. Senderhauf represented the home office at Minnesota.

Advertisers Prepare for Rainy Day

(CONTINUED FROM PAGE 24)

statement story. The company has arranged 100 country-wide meetings to show the picture to policyholders, agents and their friends. Metropolitan has just made a film, "Family Portrait."

Mr. Reeves reported that an opinion survey at Mutual Life disclosed many policyholders disliked the letter they received. So the company revised its methods. This changed the character of correspondence and saved money because of shorter letters. Previously 40% of the letters required 10 days or more to answer; now 94% of them are answered within three days. The company also sought to make letters less technical, the base of many complaints.

Policyholders are annoyed at the complexity of forms and their technicality, particularly notarial forms, Mr. Reeves commented. No one likes to go to the trouble or expense of having their signature notarized. Mutual discovered it had 128 affidavit forms, some unrevised since origin in 1890. With the okay of the legal staff, this number has been reduced to seven, and the hope is to get the number down to two that require signature notarization.

B. M. Langhenry of Acacia Mutual said they hold clinics on specific departmental letter writing problems, which has been of benefit.

Employe Suggestions

R. S. Kieffer of Metropolitan Life said his company has found employe suggestions valuable in simplifying procedures and reducing costs.

The need of funneling complaints to top management for answering, and through one centralized point to determine the need for changing procedures, forms, or what not, was emphasized by several. Policyholder service calls, sending annual reports to policyholders, and opinion surveys were discussed. C. O. Robinson of Guardian Life said they have determined that more policyholders read and want to receive company statements than might be imagined. In making opinion survey, Mr. Reeves warned against too much refinement. It is important to know whether there are 44% or 44% of the policyholders or public like or dislike a thing, not if the figures are 44.6 or 44.4.

Promotion material, including advertising, must be merchandised, those at the merchandising round table believed. The need is to give more and better promotion to less stuff; to control stock of promotion items; hold agency meetings on their use; sell it through company magazines, and keep managers sold on it. David F. Tibbott, New England Mutual; W. C. Heinburg of New York Life, and others participated in this discussion.

A. L. Cawthorn-Page, manager of publications at Metropolitan's Canadian head office, issued a stirring invitation to the annual L. A. A. meeting in October at Quebec. Mr. Rhojebeck reported record attendance of 113.

W. Va. Department Is to Be Emancipated

The West Virginia legislature, which has now adjourned, passed the bill to divorce insurance supervision from the state auditor's office and to create a separate insurance department.

A bill was passed to allow members of the state department of public safety to enroll in group medical and hospital service plans.

A measure that was adopted allows West Virginia High School Athletic Assn. to maintain its own fund to pay athletes for injuries received in interscholastic sports. However, such fund would not be operated under the insurance laws.

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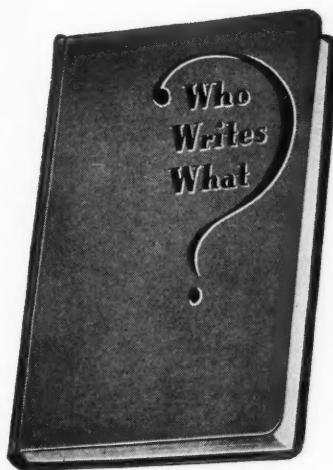
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Who will write "Out-of-the-Ordinary" Contracts?

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Standard Equipment In All Progressive Offices

When you want to know,
QUICKLY — who will write —

Accident Expense Reimbursement?

Age 70? or 5 Pay Life?

Aviation Accident?

Aviation Life?—Who, How?

Automatic Convertible Term?

Combination Life and Annuity?

Deferred Survivorship Annuities?

Diabetics?—(Selected Cases)

Disability Income for Women?

Extended Term on Sub-standard?

Family Group? Term to 65?

Five Year Endowment?

Graded Death Benefits on Sub-standard?

Group on Fraternal Organizations?

Group Permanent?

Hospitalization?—Pension Trusts?

Joint Contracts on 3 lives?

Overweights—Ulcer Cases?

Policy Changes, by Contract?

Short Term Single Premium
Endowments?

Single Premium Juvenile?

Small Loan Coverage?

Sub-standard over 65?

Temporary Annuities?

Wholesale Insurance?

And Many, Many Others

Just turn to "Who Writes What?"

1947 "Who Writes What?"

Will tell You "at a glance"!

Whenever you want to know what company or companies will write something a little "out-of-the-ordinary," what do you do? You may spend considerable time and effort writing, wiring or phoning around. **All you need to do**, to get the answer immediately, **is just turn to "WHO WRITES WHAT?"**

Many New Subjects Added

In addition to the many "Who-Writes-It" questions answered by previous editions, the New 1947 "Who Writes What?" includes the answers for the first time to such questions as Who Writes Joint Contracts?—(31 companies will write 3 joint lives); Return Premium Riders?—(18 companies will issue them); Immediate Joint and Survivor Annuities on 3 lives?—(20 companies are listed); Single Premium Temporary Annuities with Refund?—(10 companies will issue them).

Other New subjects include Single Premium coverage at age 0; Selected Diabetics, Heart, Blood Pressure, Tuberculosis or Ulcer Cases; Extended Term on Substandard; Youngest Age on Immediate Annuities; Oldest Age for A. & H.; Oldest Age for Waiver of Premium and Income Disability. Numerous other useful additions have also been made in the Settlement Option and other sections relating to Riders, Policy Changes and Payment of Proceeds. Don't "hunt around" for the answers — just turn to the new "WHO WRITES WHAT?"

A GREAT "Time-and-Trouble-Saver"

Merely consult the comprehensive topical index, turn to the section indicated and there you have in one place a list of all the companies that write the contracts you want—and what they will do about it. Fieldmen, agency managers, and company executives — by the thousands — use "Who Writes What?" regularly and praise it highly. Be sure there is a new improved 1947 edition handy to you—so you can just turn to "WHO WRITES WHAT?"

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To the National Underwriter Co., 420 East 4th St., Cincinnati 2, Ohio

CONDENSED STATEMENTS

DECEMBER 31, 1946

97TH ANNUAL STATEMENT ÆTNA LIFE INSURANCE COMPANY

Assets	\$1,247,466,206.90
Liabilities	1,142,449,569.92
Contingency reserve	\$42,000,000.00
Capital	15,000,000.00
Surplus	<u>48,016,636.98</u> 105,016,636.98

40TH ANNUAL STATEMENT ÆTNA CASUALTY AND SURETY COMPANY

Assets	\$ 120,073,615.88
Liabilities	79,796,938.41
Contingency reserve	\$ 5,800,000.00
Capital	6,000,000.00
Surplus	<u>28,476,677.47</u> 40,276,677.47

34TH ANNUAL STATEMENT AUTOMOBILE INSURANCE COMPANY

Assets	\$ 47,131,571.37
Liabilities	29,815,514.85
Contingency reserve	\$ 3,400,000.00
Capital	5,000,000.00
Surplus	<u>8,916,056.52</u> 17,316,056.52

37TH ANNUAL STATEMENT STANDARD FIRE INSURANCE COMPANY

Assets	\$ 9,401,364.80
Liabilities	5,409,986.57
Contingency reserve	\$ 600,000.00
Capital	1,000,000.00
Surplus	<u>2,391,378.23</u> 3,991,378.23

Total premium income—all companies—1946	\$ 276,496,766.14
Paid to or for policyholders since organization	2,689,219,175.86
Life Insurance in force December 31, 1946	6,314,246,692.00
Increase in Life Insurance in force during 1946	794,426,220.00

SERVICE... *Past and Future*

The condensed statements above record past service — forecast the opportunities for greater service that lie ahead. Past service is recorded in the payments to policyholders. Resources and capacity for future service are summarized in the figures on capital, surplus and reserves.

The Ætna Life Affiliated Companies are alert to their ever growing responsibilities. They realize that these responsibilities require prompt and just settlements to policyholders — carry the obligation of eternal vigilance in the public interest. In addition the companies will continue to spare no effort to provide business-building services and broad cooperation to ambitious and capable producers.

The days that lie ahead present both challenge and opportunity for the use of our resources in every branch of our business for the continued protection of the policyholders we all serve.

John Brainard
President

Life • Casualty

ÆTNA LIFE INSURANCE COMPANY
ÆTNA CASUALTY AND SURETY COMPANY



Fire • Marine

AUTOMOBILE INSURANCE COMPANY
STANDARD FIRE INSURANCE COMPANY

Hartford, Connecticut